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TWELVE PAGES — ONE RIYAL

U.S. Senate votes
to lift sanctions
against Rhodesia

SALISBURY, June 13 (Agencies) — The United States voted by 52 to 41 to remove sanctions against Zimbabwe Rhodesia Tuesday night.

Thursday President Carter said he would not lift the sanctions because he felt the recent elections in Zimbabwe Rhodesia did not meet his criteria of fairness.

But the senate voted during a debate on a \$40.1 billion Defense Department weapons bill to lift the sanctions — a much smaller margin than during a similar vote four weeks ago. The previous vote was not legally binding.

Earlier Secretary of State Cyrus Vance said the president might veto the weapons bill if the sanctions clause were left in.

The Administration has warned that lifting sanctions would devastate American relations with black Africa and undermine British efforts to achieve a settlement acceptable to all parties.

Administration officials said after Tuesday night's debate that they were satisfied with the narrow margin of the vote, noting

that it showed substantial backing to sustain any possible veto.

A two-thirds vote in both the House of Representatives and the Senate is required to override a presidential veto.

The president's support is believed to be greater in the House, which has yet to vote on the issue.

During the debate Administration supporters argued that the United States should not move before Britain on lifting sanctions. The British government must decide whether to continue sanctions in November.

They also warned of reprisals by African states, especially Nigeria, which supplies about 15 per cent of American oil imports, and emphasized that Carter has promised to keep the situation under review.

Muzorewa's delighted, Foreign Minister David Muzorewa admitted that the House is traditionally not as well disposed to us as the Senate.

But he was absolutely delighted "that the opinion of the American people has been accurately reflected in the Senate vote and I am confident that the House of Representatives will also rebuff the U.S. Administration's bankrupt policy towards Zimbabwe Rhodesia."

Muzorewa's administration, installed two weeks ago, inherited United Nations' sanctions imposed on the country after the 1965 Unilateral Declaration of Independence.

Muzorewa has called on the West to lift sanctions and to recognize his government, arguing that sanctions were originally aimed at the white rebels and not his popularly elected administration.

"If sanctions are maintained," Muzorewa said, "we will be under punishment for an act (UDI) that we as blacks were opposed to."

Titus Milianga, a bus conductor, said, "we who are the poor people and the unemployed have suffered the most from the sanctions, not the whites. It's right that sanctions should be removed for the sake of the blacks. The outside world claims it wants to help us."

The whites who dominate business and industry are stung by the sanctions and uniformly welcomed the Senate vote.

"If the Americans go all the way then the rest of the West will follow and we'll be faced with the biggest economic boom in our history," said Brian Walters, an import-export agent.

"Shrugging off sanctions will give us access to the guns we desperately need to step up the war against the terrorists," a young white soldier said.

Two envoys left Salisbury for Washington Wednesday in an effort to lift sanctions. They also hoped to pave the way for a visit by Muzorewa.

Officials said it was almost certain Muzorewa would travel to the United States if he were granted a visa.



OIL TALKS: Crown Prince Fahd at his meeting Tuesday with Qatari Oil Minister Sheikh Abdul Aziz bin Khalifa Al-Thani, who held another meeting with Saudi Oil Minister Sheikh Ahmad Zaki Yamani before his return to Qatar later in the day.

EEC commission approves
plan to freeze oil imports

BRUSSELS, June 13 (Agencies) — The European Commission Wednesday approved a multi-billion dollar blueprint for energy savings designed to freeze the Common Market's oil imports until 1990.

Energy commissioner Guido Brunner told a news conference that the ambitious package would be discussed by community ministers Monday.

The commission was urging a scheme to boost coal consumption by 25 per cent and raise from 60 to 75 per cent the amount of electricity produced from coal and nuclear power, Brunner said.

He disclosed that investment would have to be \$50 billion a year up to 1990.

Brunner did not give the breakdown of the figure but said it would also cover the cost of energy savings and alternative energy technology.

It was important that liquid fuel be extracted from coal in commercial quantities, however small, by 1982. "This would be a clear signal to the oil producing countries," he said.

The commission was also prop-

osing detailed discussions with the motor industry on improving the fuel consumption of cars, Brunner said.

The complete proposals go further than any previous energy measures put forward by the commission. Its officials hope that the latest oil shortages will galvanize member states into action at Common Market level, something which has previously proved difficult.

Brunner accepted that freezing oil imports at the present level of 470 million tons a year until 1990 would require great effort.

He said the commission would publish the results of its weekly survey of oil prices, and by community companies, it hoped also to extend the scheme to publishing retail prices.

Its latest checks on oil prices showed that in the last few days the markets were settling down "though at a high level," Brunner said.

Meanwhile, U.S. Energy Secretary James Schlesinger Tuesday told Americans to face up to the reality of an energy crisis and stop trying to find scapegoats for the fuel shortage.

"We must all accept the fundamental reality that we face a real shortage and not search irresponsibly for scapegoats," he said.

Schlesinger told the Chicago Council on Foreign Relations that the oil companies were not to blame for fuel shortages and rising prices.

"The oil companies were victims of international events like the Iranian revolution. Oil-producing states now govern supply," he said.

As the energy secretary spoke, demonstrators paraded outside with placards declaring "fire Schlesinger" and denouncing the oil shortage as a conspiracy bet-

ween the Carter administration and the oil companies.

Schlesinger stressed that world oil supplies were precarious and that the U.S. must reduce its dependence on imported petroleum.

He said the U.S. should not count on oil supplies from Iran after the takeover led by Ayatollah Khomeini.

He said Iran's oil production would never get back to its pre-revolution levels.

Any further disturbance in the oil-producing areas of the Middle East would have a magnified impact because supplies were already stretched by the Iranian upheaval, he said.

Things were not moving favorably in the Gulf region for the western world, he added.

"We must bear in mind that only the United States has the basic strength to maintain an overall balance of power in this troubled area."

The Carter administration has previously gone on record as saying it was prepared to protect its oil interests in the Gulf area if necessary.

In an interview with the "New York Times" Wednesday, the Kuwaiti oil minister said industrialized countries should be given a sharp oil-price shock when the Organization of Petroleum Exporting Countries meets in Geneva this month.

Sheikh Ali Khalifa Al-Sabah added: "The sooner the shock is introduced, the lower the final price will be."

The minister said the oil prices rise sharply to encourage industrialized countries to adopt conservation measures and develop other energy sources.

Iraq will withdraw
ambassador from Aden

BAGHDAD, June 13 (R) — Iraq announced Tuesday night that it was withdrawing its ambassador from South Yemen.

The official Iraqi News Agency said the decision was taken in protest against the Aden government's "policy of violence and force used without justification against Iraqi officials in Aden."

The agency quoted a government spokesman as saying the Iraqi embassy in Aden was stormed on June 4 and a number of Iraqis detained "in humiliating manner". Other Iraqis were later arrested.

Tuesday's move follows the exchange of a series of charges of harassment of diplomats by the Iraqi and South Yemeni governments after South Yemen accused Iraqi embassy employees in Aden of killing an Iraqi Communist professor who was teaching in the South Yemeni capital.

The official Aden News Agency said on June 5 that five Iraqis accused of killing Professor Tawfik Roshdi in Aden had surrendered to the South Yemeni authorities and were being questioned.

The Iraqi spokesman was quoted by the agency as saying Iraq had retaliated against the Aden arrests by arresting a similar number of South Yemeni officials in Baghdad.

The spokesman said that the storming of the Aden embassy violated international law and diplomatic traditions.

The agency said about 300 soldiers stormed the Iraqi embassy in Aden, fired 18,000 rounds of ammunition at the building and hurled incendiary and tear gas bombs.

After occupying the embassy, they scattered documents and detained a number of diplomats who were taken to an unknown destination, INA added.

Iraq blames supporters
of Khomeini for crisis

BAGHDAD, June 13 (Agencies) — Iraq Wednesday said supporters of Ayatollah Khomeini are trying to wreck Iran's relations with Baghdad, as Tehran announced that Iraq has formally apologized for the recent aerial bombing of Iranian villages.

The ruling Iraqi Baath Party newspaper "Al-Thawra" in the second of a series of articles on Iran, said Iraq had put all its resources at the service of the Iranian opposition movement over the past six years, including aid to Ayatollah Khomeini who lived in exile in Najaf, southern Iraq, for 14 years until last year.

"These offences have reached a very dirty level, indicating that those who direct matters in Iran with the aim of wrecking relations with Iraq are in a hurry," the paper said.

The charges followed Iranian accusations that Iraqi aircraft had bombed Kurdish villages inside Iran last week and that Iraq was massing troops along the two countries' common border.

In a reference to Khomeini's departure from Iraq under strong government pressure last October, "Al-Thawra" asked "Are Iran's relations with Iraq governed by the complex of Khomeini's exit from Iraq?"

Relations between the two countries sank to their lowest ebb for years this week with Iraq accusing Iran of pursuing regional designs in the Gulf and endangering peace.

"Al-Thawra" said Iraq had put pressure on Khomeini last year because his overt anti-Shah activities threatened good relations with Iran.

Khomeini had remained in Iraq where he was treated with respect and esteem and the Iraqi authorities overlooked his activities as long as they were not overt, it added.

Meanwhile, the Iranian state radio reported Wednesday that the Iraqi ambassador to Iran had relayed his government's formal apology for the reported air attacks on Kurdish villages near the Iraqi border.

The radio quoted Ambassador Abdul Malek Yasin as saying that the air raids were the result of a mistake by Iraqi pilots, and that his government was ready to pay compensation for the victims and damages caused.

The radio said Yasin delivered his government's formal apology to Prime Minister Mehdi Bazargan and Foreign Minister Ibrahim Yazdi Tuesday.

An official announcement banned all traffic during the hours of darkness along all roads in Iran's oil-rich Khuzestan province, leading to the Iraqi border.

The decision to ban night traffic on border roads stemmed from "the recent activities of anti-revolutionaries in the region," the announcement added.

At least 37 people were killed and more than 120 were wounded in the province two weeks ago, when ethnic Arabs clashed with forces loyal to the government.

In Kuwait, a newspaper warned Iran's rulers Wednesday that they would be "committing suicide" if they continued in their current animosity toward Iraq.

The conservative "Al-Rai Al-Aam" said "The Iranian authorities commit a suicidal error if they think they can confront Iraq without provoking a collective Arab retaliation."

The paper called on mutual friends of Iran and Iraq to mediate the dispute before it gets out of hand.

Libya has also come out openly in support of Iraq against Iran and Col. Moammar Qaddafi's government-controlled media provoked Iran's wrath by also cal-

ling the Khuzestan region Arabistan.

In a separate development, the British government said Wednesday it will not reconsider its decision to recognize the new regime in Iran, despite being "shocked" at the executions there.

Foreign Office Minister of State Douglas Hurd told the House of Commons: "The last government extended recognition to the new Iranian government in mid-February. We are not proposing to reconsider this decision," although Britain has already expressed its shock over the executions. But it was essential that Britain should be fully represented in Iran.

Oil output
in Iran
3.9 mbd

TEHRAN, June 13 (Agencies) — Iranian oil production dropped by five percent in May to 3.9 million barrels a day, according to National Iranian Oil Company (NIOC) figures reported Wednesday by the official Pars news agency.

This compares with average daily production of about 6.5 million barrels before the February revolution.

Total exports of crude oil, petroleum products and fuel oil averaged 3.3 million barrels a day during the period May 22 to June 5, the news agency said.

The production figure for the same period included oil pumped at onshore and offshore fields.

Figures for the previous month showed that average crude oil production was 4.1 million barrels a day and exports of crude and refined products were 3.7 million barrels a day.

UNIFIL may withdraw unless
harassment stops — Waldheim

UNITED NATIONS, June 13 (Agencies) — Secretary-General Kurt Waldheim said Tuesday that the United Nations Interim Force in Lebanon (UNIFIL) may have to be withdrawn unless there was an end to harassment by the Israeli-backed rightist militia.

Waldheim recommended that the U.N. Security Council extend the mandate for the force, scheduled to expire on June 19, for six months. The force, he told the council, performs "an indispensable function in bringing calm to a sorely affected area and in reducing the active threat to international peace and security."

He added, however, that without an end to harassment by the right-wing militia in the area and without "a change in the position of the Israeli authorities," the force could not possibly carry out its peace mission.

"In such circumstances, it may well become necessary even to envisage the withdrawal of the force before it has fulfilled its mandate, despite all the dangers this will entail," he added.

"I feel I should make this clear particularly because I do not consider it would be right to ask the troop-contributing countries and their contingents to continue indefinitely to bear their heavy and often dangerous burdens if the essential minimum conditions for the effective functioning of UNIFIL cannot be met."

The resistance of right-wing militiamen has prevented the U.N. force from taking full control of the southern border area, and shelling has continued between Palestinians and Israelis and their allies despite a series of ceasefires.

Waldheim appealed to all council members "and especially those in a position to bring influence to bear" to exert all efforts to end the fighting.

Lebanese representative Ghasan Tuani said the fulfillment of UNIFIL's mandate was contingent upon a basic change in the attitude of Israel.

He said that the Palestine Liberation Organization, despite certain incidents, was now more and more officially and practically committed to cooperation with UNIFIL and the government of Lebanon.

Israeli representative Yehuda Blum said the crucial question before the council "was whether an end would be put to the use of Lebanese territory for acts of aggression against Israel, and to what extent UNIFIL would be instrumental in this."

He said the council should not be "hoodwinked" by a recent PLO pledge not to initiate any action from inside the UNIFIL area and not to shell Israeli or militia forces unless it was attacked first.

Later in the debate Tuani dismissed an Israeli invitation to Lebanon to negotiate a peace as a "cynical and diversionary tactic." Blum has repeatedly claimed that the May 7 offer by Israeli Prime Minister Menachem Begin to negotiate peace was sincere and was ignored by the Lebanese government.

Kuwaiti Ambassador Abdullah Yacoub Bishara accused Israel of obstructing peace with the help of the United States. He declared the council should insist that its resolutions be implemented "through the efforts of those who have leverage with Israel."

"The United States has provided Israel with all the assistance it needs, including the money for the establishment of the settlements often described by U.S. officials as an obstacle to peace," he added.

Libyan chief delegate Mansur Rashid Kikha said the Palestinians were in Lebanon and in other Arab countries "because the Zionist fascists forced them to be there and denied them their



Kurt Waldheim

inalienable right to live as free people in their country, Palestine." Kikha said a link existed between the recent Israeli-Egyptian peace treaty and "the escalation of Zionist aggression against Lebanon and against the Palestinian people."

He continued, "this cynical trick which is called 'autonomy pact' in the West Bank and Gaza is as cynical as the Zionist trick of Major (Saad) Haddad in south Lebanon. Through these so-called 'de facto forces' the Zionist regime is conducting its Hitlerite methods of occupation, expansion and eviction."

Soviet Ambassador Oleg Troyanovsky, the council president for June, adjourned the session after 2½ hours and scheduled further debate on the Lebanese situation and the U.N. peacekeeping force for Thursday.

Saud says
moving Arab
League HQ
no reason to
amend Charter

Prince Saud Al-Faisal

RIYADH, June 13 — Foreign Minister Prince Saud Al-Faisal was quoted as saying Wednesday that moving the Arab League headquarters from Cairo to Tunis is not a development that necessarily warrants amending the League Charter.

In an interview with "Al Riyadh" newspaper, Prince Saud said, however, that amending the charter has been under consideration for a while and that the reasons requiring such a change are still valid. The minister said that several Arab countries, including Saudi Arabia, have proposed amendments in the light of new Arab and international developments.

But Prince Saud added that the amendment issue will not be raised at the Arab foreign ministers conference due to be held at the end of this month.

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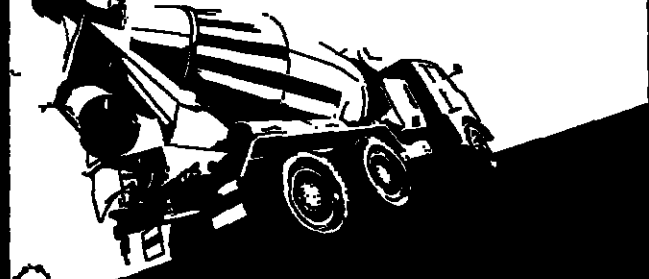
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Riyadh planners study roads

RIYADH, June 13 (SPA) — Governor of Riyadh Prince Salman Tuesday charged over a meeting of the Higher Committee for the Development of Riyadh to discuss Municipality projects for the new fiscal year.

These include engineering services and supervision of the asphalt work in Sulaimaniah, Ulaya, Umm Al-Hamam and Maa' tar.

The Ministry of Communications has submitted final specifications for the capital's vast ring road and a long fly over from east of the King Faisal Air Academy to far beyond the military hospital to the west. A number of roads are to run parallel to the overpass with an open tunnel for north-south traffic under it. Mayor Sheikh Abdullah Al-Naim said after the meeting. The ministry also submitted master plans for the ring road northern section to carry traffic from Khurais Road to the new Hejaz Road, as well as a specification for an 84-meter broad dual-lane highway on the present Hejaz Road to Deirab.

The committee also studied plans for the extending of the present Khurais Road and building links between the ring road, the Areja to Mazahim highway and the Gulf road, the mayor said.

Tenders have been invited for the northern half of the ring road and a contract will be awarded after securing funds.

Cabinet okays Argentine pact

RIYADH, June 13 (SPA) — In a Council of Ministers' meeting Tuesday, an economic cooperation agreement between the Kingdom and Argentina was approved, according to Minister of Information Dr. Muhammad Abdo Yamani.

The council also discussed the current Five-Year Plan and the results of the Riyadh conference of regional ministers of planning, which ended Tuesday.



(Arab News photo)
KORAN BY HEART: Brig. Yahya Abdullah Al-Moallimi, director general of prisons, presenting a cash prize to one of the winners of the Koran memorization competition at Jeddah Prison Wednesday.

Treaty will not impair Saudi ties, U.S. says

WASHINGTON, June 13 (AP) — The United States and Saudi Arabia are in disagreement over peace negotiations in the Middle East, but will maintain strong and mutually beneficial ties, a State Department spokesman said Tuesday.

"We continue to work to build on the strong base that exists," Hoddling Carter told reporters. "This is what we want. This is also what the Saudis want."

The statement was prompted by a report published by the "Washington Post" that the U.S. administration has stopped "pressing" Saudi Arabia to support the Egyptian-Israeli peace treaty and is concentrating instead on repairing damage to the special relationship.

"For decades," Carter said, "we have worked closely with Saudi Arabia, and our mutual interests far outweigh any differences on specific questions."

"We have not always agreed on all issues, but this is only normal between countries."

"I have every reason to believe that our ties will remain strong, close and mutually beneficial."

Saudi Arabia has joined with most Arab countries in condemning the peace treaty. It has broken relations with Egypt and has discontinued financing to help President Anwar Sadat rebuild his military forces.

Spokesman Carter, implicitly acknowledging U.S. differences with the Saudi stand, said "we have discussed often the peace process with Saudi leaders. It is no secret that our perceptions on how best to proceed toward a comprehensive peace are not identical."

"Both we and the Saudis wish to continue this dialogue."

Carter said the United States was trying to use its influence with Saudi Arabia and other oil producers to hold down prices at the forthcoming OPEC meeting.

1,000 drivers nabbed in one day

JEDDAH, June 13 — Jeddah police booked a record 1,000 persons for traffic violations last Monday, "Al-Medina" reported Wednesday, quoted Jeddah Traffic Chief Maj. Asad Abdul Karim.

Ulema, police join in morals drive

JEDDAH, June 13 — Western region and police and religious officials are cooperating in a drive to check un-Islamic activities in public, "Al-Medina" reported Wednesday. Religious Guidance Board Chairman Sheikh Saad Al-Hamed Al-Muttrifi met Mecca Governorate Police Director Maj. Gen. Ali Al-Mashouf this week to discuss police help in curbing deviation, her assent of women and immodest dress. Mashouf agreed to follow up a ban on microphones in cassette shops and ensure that all shops are closed 10 minutes before prayers.

Bride shows it's never too late

JEDDAH, June 13 — A resident of Mecca, allegedly against his will, last week gave his 25-year-old daughter in marriage to an 86-year-old, "Al-Medina" reported. The paper said it was all the bride's choice. The bridegroom, nevertheless, paid out SR30,000 to the father, SR20,000 to the mother and SR50,000 to his bride in gifts, gave her a present worth SR40,000 and spent SR160,000 on the wedding.

Kingdom, France think alike

PARIS, June 13 (SPA) — Saudi Arabia and France have identical postures on international issues Interior Minister Prince Naif said Tuesday night.

Prince Naif was speaking at a dinner in his honor, given by French Interior Minister Christian Bonnet, at the close of the first day of his visit to France.

On the world energy crisis, Prince Naif said that Saudi Arabia is conscious of its responsibilities and that its actions are always in line with the interests of the world community as a whole.

Later Tuesday, the two ministers discussed cooperation in security.

Wednesday, Prince Naif visited a Paris Metro station and was taken on a sight-seeing tour of Paris suburbs.

Riyadh U hosts Jerusalem parley

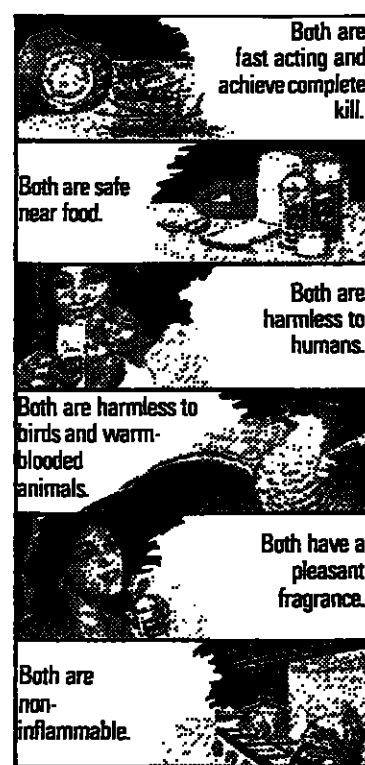
RIYADH, June 13 (SPA) — The University of Riyadh will hold a seminar on the history of Jerusalem Sunday, the fourth event in its cultural program for this year. Participants include Pakistan's Ambassador Fazal Mueem Khan; Austrian Ambassador Dr. Franz Schmid; Secretary General of the Organization of the Islamic Conference Dr. Amadou Karim Gaye; and Fateh Representative Dr. Rafiq Shaker.

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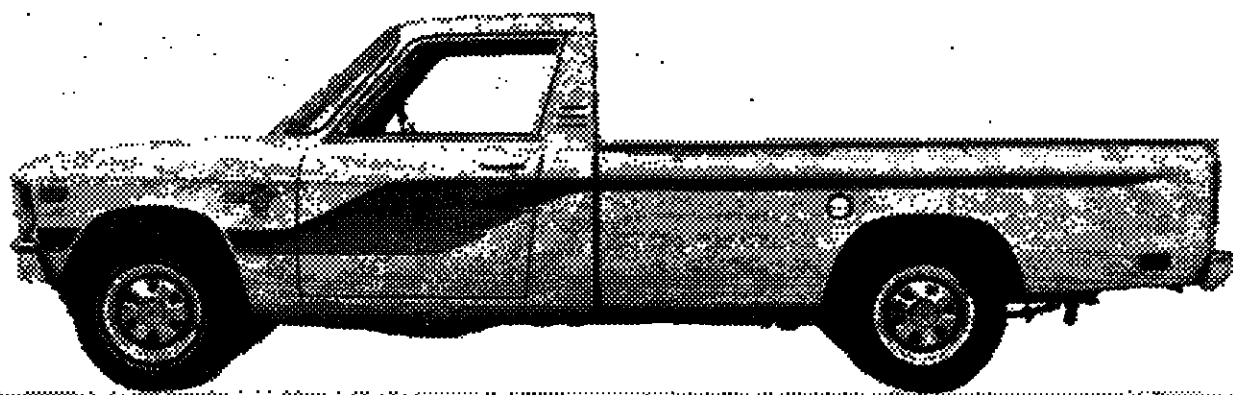
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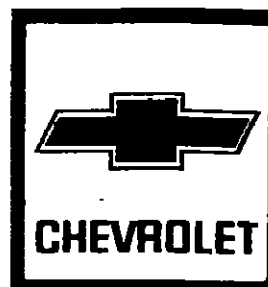
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Several killed as new fighting flares in Chad

N'DJAMENA, June 13 (AP) — Several dozen people have been killed and the presidential palace partially destroyed in a new flareup of fighting between the rival guerrilla factions supporting Chad's provisional government.

Provisional President Idris Mustapha Shawwa was not in the building at the time, military and diplomatic officials reported, because he had placed himself under the protection of one of the factions, the Chad National Liberation Front (Frolinat).

But the self-styled "General" Idris Mustapha, leader of the rival Popular Movement for the Liberation of Chad (MPLT), was reported killed while trying to flee across the Chari river into neighboring Cameroon.

The outbreak of street fighting died down at midday Tuesday, leaving bodies scattered on the pavements and smoke billowing from the burning presidential palace. Diplomats said none of the 400 European residents remaining in the city was reported hurt.

The European residential quarter of the city remained under the protection of a 2,000-man French expeditionary corps. French officials said their troops were not involved in the fighting, but a French armored car posted in front of the French ambassador's residence was damaged by a 75-mm shell fired by MPLT supporters.

This landlocked and impoverished desert nation has been gripped by civil war almost continuously since French colonial rule ended in 1960.

The provisional government was formed earlier this year after a Nigerian-sponsored ceasefire among the factions. Nigeria sent a peacekeeping force to N'Djamena to help keep order in the capital, but withdrew when Shawwa refused to order the removal of the French forces.

West Beirut goes on strike in memory of Tony Franjeh

BEIRUT, June 13 (R) — Shops and schools were closed in the predominantly Muslim western district of Beirut and other Lebanese towns Wednesday to mark the first anniversary of the death of former President Sulei-

man Franjeh's son.

Tony Franjeh, his wife, their three-year old daughter and about 30 other persons were killed in an armed attack on the Franjehs' summer resort of Ehden, in North Lebanon.

The former president accused the right-wing Phalangist Party of mounting the raid.

Wednesday's strike was called by the Lebanese "nationalist movement," a coalition of leftist parties.

Meanwhile, Lebanese Defense Minister Victor Khoury left for Paris Wednesday at the invitation of his French counterpart, Yvon Bourges.

Official sources said Gen. Khoury would visit the Paris Air Show and discuss equipping the Lebanese Army.



IN MEXICO: The deposed Shah and his wife Empress Farah upon their arrival at Mexico City airport Sunday from the Bahamas.

Shah, Empress move into villa in Mexico

MEXICO CITY, June 13 (Agencies) — The Shah has moved into a private villa in Cuernavaca, 40 miles south of Mexico City, government sources said.

The Shah arrived in Mexico City on Sunday with his wife Empress Farah and 18-year-old son on the fourth stage of his odyssey in search of a new home and safety from threats of assassination.

They immediately drove off to an unknown destination.

It was earlier expected that the Shah would live in the resort of Acapulco where his sister has a palatial mansion, once owned by Merle Uberton, but the sources said he changed his mind and chose Cuernavaca.

The sources said the Shah was staying at a villa which they described as "a veritable castle with high stone walls, located in a private zone with police guards at the entrance, reinforced by the Shah's personal bodyguards."

Cuernavaca, capital of the state of Morelos, is 1,542 meters above sea level and noted for its comfortable climate. Its outskirts are dotted with the walled homes of writers, artists, and other celebrities.

It was not immediately known who owns the villa.

Local newspapers Tuesday quoted Enrique Corneo Morales, head of public security, as saying he had a talk with the Shah on security arrangements.

During the conversation the Shah was reported to have told

him, "Acapulco is a beautiful resort, but there I would not have the peace and tranquility my family needs after the events that have brought us into the arms of Mexico's hospitality. On the other hand Cuernavaca is the ideal place to live and reorganize my inner life, which is what worries me most. My public life is a thing of the past."

The Shah left Iran in January for what was then described as an extended holiday. He has since been to Egypt, Morocco and the Bahamas in search of a new home and security.

He is passing his time reading, swimming, or walking in the garden with his dogs, but has not left the villa here, a security agent said Tuesday.

"The Empress Farah is writing a lot. We see her much less than we do the Shah, but she hasn't left the villa either," said Tomas Morlett, the agent in charge of 46 secret police supplied by the Mexican government.

"We have instructions to be extremely cautious," said another agent. "This family is marked."

Several men armed with automatic rifles and submachine guns were visible Tuesday on the roof and in the gardens of the house.

More agents armed with pistols were in the private street leading to the villa and its 2 1/2 acres.

It was learned that the Shah obtained a 90-day visa from the Mexican government in response to requests by former Secretary of State Henry Kissinger.

For corrupting youths

Lieutenant executed in Tehran

TEHRAN, June 13 (Agencies) — A gendarmier lieutenant was executed Tuesday night after being found guilty by an Islamic revolutionary court of corrupting youths and inciting them to commit acts against public decency.

The official voice of the Islamic republic radio, which named the lieutenant as Ali Bagae, said trial took place in Iran's central province.

The radio said the offenses had been committed over a number of years and that Bagae was judged to have spread corruption in society. The radio did not mention any political charges against the lieutenant.

The execution of Bagae brought to 276 the number of people executed by revolutionary courts since February.

Meanwhile, a dozen Iranian revolutionary guards, accompanied by other guardsmen with submachine guns, began destroying more than \$1 million worth of wine, liquor and beer at a major Tehran hotel Tuesday night.

Citing an order from the Tehran Revolutionary Court, the guardsmen began opening a quarter of a million cans of beer and tossing them, one at a time, into a great heap in a courtyard of the Hotel Intercontinental.

Other guards smashed bottles of Scotch and wine and added them to the rising pyramid.

Asked why the alcohol was being destroyed rather than sent out of the country, a guardsman said, "Alcohol is bad for the body and no one must drink it."

Hotel staff said value of the hotel's cellar was \$1.2 million. The alcohol had survived the February revolution intact, but the hotel was told shortly afterward to keep its supply under lock and key.

The hotel management said a few days ago that it had finally received official permission to serve foreign guests alcohol in their own rooms. This led to further disputes and eventually the revolutionary court verdict.

Other hotels are also believed to have large liquor supplies in locked areas. The destruction of the Intercontinental stock apparently was ordered because of the management's attempt to get permission to serve it.

In a separate development, the official Pars news agency said

Wednesday that deputy Prime Minister Amir Entezam will be appointed ambassador to Sweden.

The agency quoted Entezam as saying all formalities for his new post had been completed but no date for his transfer had been fixed. As ambassador to Sweden he would also be accredited to Finland, Denmark and Iceland.

Entezam acts as official spokesman of the provisional government. Last month he suspended the twice-weekly press briefings introduced immediately after the revolutionary regime came to power.

Bethlehem mayor rejects talks

PARIS, June 13 (R) — Mayor of Bethlehem Elias Freij held an hour-long meeting Tuesday with senior officials of the French Foreign Ministry. Freij, generally considered a West Bank moderate, said he told French officials that no Palestinians would be found to back the autonomy plans proposed by Israel and Egypt.

Jordan bans Egypt publications

AMMAN, June 13 (R) — Jordan has banned all Egyptian government publications and books by Egyptian writers who support peace treaty and two by British author Terence Prittle.

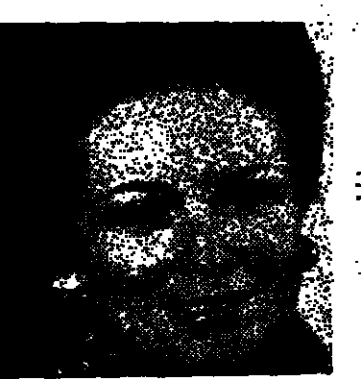
Prittle's books were also banned because they were "biased to Israel and Zionism and offended the Arabs." The books were on the Arab-Israeli wars and the occupation of the West Bank.

Israeli protests Bir Zeit closing

PARIS, June 13 (R) — A Hebrew University professor Tuesday joined a Palestinian colleague from the West Bank in protesting against the closing by Israeli military authorities of the West Bank's only university at Bir Zeit. Dr. Daniel Amit of Jerusalem's Hebrew University and Munir Fashi who teaches mathematics at Bir Zeit told a press conference that the closing of the Palestinian university would destroy the education process on the West Bank.

Egyptian kidnapper surrenders

OSLO, June 13 (R) — A 35-year-old Egyptian surrendered to police Tuesday after freeing a woman employee he had held hostage at knife-point in a lavatory at the state-run employment agency here. The drama ended when police gave written guarantees that all the man's demands, including one for two million kroner (\$395,000) in cash, would be met.



Sinatra to sing at Pyramids

CAIRO, June 13 (AP) — The Egyptian first lady, Jihan Sadat, is easing Frank Sinatra off the Arab boycott blacklist by inviting him to sing at the Pyramids and Sphinx Sept. 27, tourism sources reported Tuesday.

Sinatra accepted the invitation and Mrs. Sadat has written him a letter of thanks for agreeing to contribute to easing the plight of Egyptian war wounded and disabled children, the sources said.

Sinatra has been on the blacklist for helping Israeli charities. Despite the boycott, Sinatra's films have been shown and his records sold in the Arab world.

Tickets are being sold to benefactors, in the United States and Europe at prices ranging from \$2,500 to \$30,000. Proceeds from "Three Jetties Soires" will go to Sadat's Al-Wafa' Wal Amal (Faith and Hope) Charity.

Invitations for the three evenings are to be sent to a number of world figures, including Princess Grace, Prince Charles, singer Enrico Macias of France, Lady Fairfax of Australia and others.

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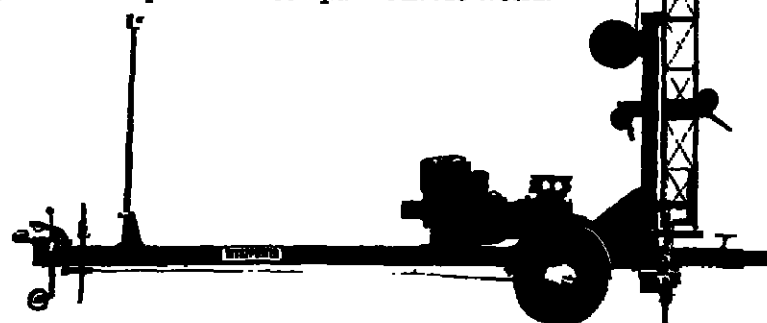
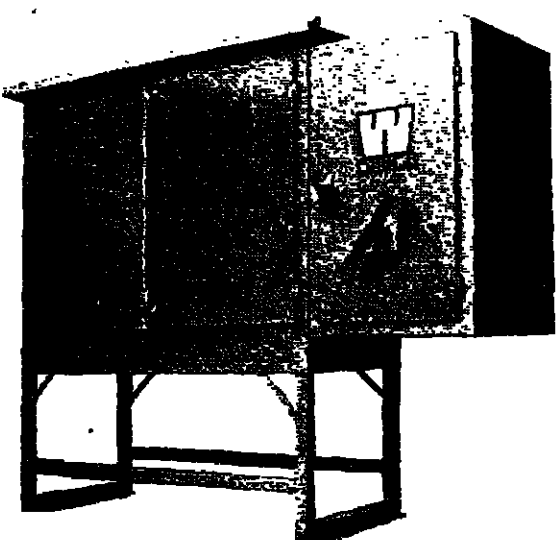
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At SALT signing in Vienna

U.S. sees Brezhnev concerned for detente

WASHINGTON, June 13 (Agencies) — American officials are confident that President Jimmy Carter will make a serious effort to broaden detente when he meets President Brezhnev in Vienna this week.

The two men will meet to sign the new strategic arms limitation treaty (SALT II) at the weekend, and will also discuss hopes for further arms control and overcoming worldwide policy differences.

United States officials said at a re-summit briefing here Tuesday that there were signs that Brezhnev would be bringing top Soviet officials who would not normally be expected to attend such a meeting.

They felt the strength of the Soviet delegation indicated that Brezhnev was planning constructive talks, even though the summit was not expected to produce new agreements other than the SALT confirmation.

Carter was originally to have been accompanied by Secretary of State Cyrus Vance and National Security Adviser Zbigniew Brzezinski, but decided to enlarge



Jimmy Carter



Leonid Brezhnev

the group to include Defense Secretary Harold Brown and General David Jones, chairman of the Joint Chiefs of Staff.

The officials had received informal indications that the Soviet delegation would include Defense Minister Dmitri Ustinov, the chief of the Soviet General Staff, General Nikolai Ogarkov,

and Politburo member Constantine Chernenko, as well as Foreign Minister Andrei Gromyko.

In Moscow, Indian officials said Tuesday Brezhnev came through a state visit by Prime Minister Morarji Desai appearing generally fit and alert.

Desai himself told a news conference that Brezhnev looked bet-

ter than the last time Desai saw him here in October 1977.

He did not elaborate.

Indian officials said that although Brezhnev's difficulty in walking had been clearly noticeable during the visit, he appeared "very alert" in a 1½-hour session with Desai on Tuesday morning.

Unlike the formal plenary round of negotiations held Monday, only interpreters and a few other officials were present during Tuesday's meeting, offering a better chance to observe Brezhnev's condition.

When Brezhnev addressed a Kremlin dinner Monday night his speech was understandable, but with the usual slurring of some words.

Brezhnev is said to have suffered two strokes within the past five years. Other ailments which have reportedly affected him include gout, a nonfatal form of leukemia and some kind of chronic trouble with his jaw.

In Vienna, the director general for public security, Robert Danziger, said 1,500 agents will be working during the four-day meeting to keep the presidents safe, and a news report said 6,000 policemen, in and out of uniform, will guard the two.

They will be reinforced by armed Soviet and American security men.

Up to 600 American and Soviet officials, advisers and aides would accompany or precede the two presidents.

The Russians, one newspaper reported, tried unsuccessfully to book the entire Imperial Hotel, their headquarters during the postwar occupation of the city.

The hotel refused to cancel long-standing reservations for guests for the Vienna Music Festival. Brezhnev will stay at the Soviet Embassy near the center of the city.

Students at a nearby elementary school were told to stay home Friday and Saturday in order not to interfere with the security precautions.

Carter, his wife and their daughter Amy will stay at the house of the United States ambassador in the Hietzing district, in the southwest part of the city near the Schoenbrunn Palace.

The Americans were reported to have reserved all or part of 10 major hotels,

the film industry."

One of Wayne's daughters, Antonia, said of her father: "We knew we would never get away with anything had because he had such a stern look. He was also old fashioned. He made me wipe off my lipstick when I was 16."

Wayne, who was separated from his third wife Pilar, never got round to counting his grandchildren. "I believe I have about 25 and I love them all," he once said.

He had a cancerous part of his lung removed in 1964, underwent open heart surgery 14 months ago and had his stomach and gallbladder removed last January because of cancer.

He entered hospital again on May 1 to have an intestinal blockage removed and more cancer was found. He remained in the hospital, waiting for doctors to start a new course of cancer treatment, including radiation therapy.

"He was just never strong enough for the treatment to begin," a friend said.

Flags at half mast

Flame burns in honor of John Wayne

LOS ANGELES, June 13 (R) — A flame burned Wednesday on a pedestal and flags flew at half mast in this center of the entertainment world in memory of actor John Wayne.

President Carter and the film colony paid tribute to The Duke, the crusty but sentimental film star who died on Monday aged 72 after a 15-year battle with cancer.

Thousands of telephone calls from Wayne's fans swamped the switchboard at the hospital where he died and a recording company said it would release a tribute to Wayne called "A Salute to the Duke," the actor's nickname.

But a spokesman for Wayne's even children, who were all at his bedside when he died, said his funeral would be private and limited to relatives and a few close friends.

One of his friends, Los Angeles columnist James Bacon, said Wayne was baptised a Roman Catholic in his final days and died after being given the last rites.

In one of his final gestures

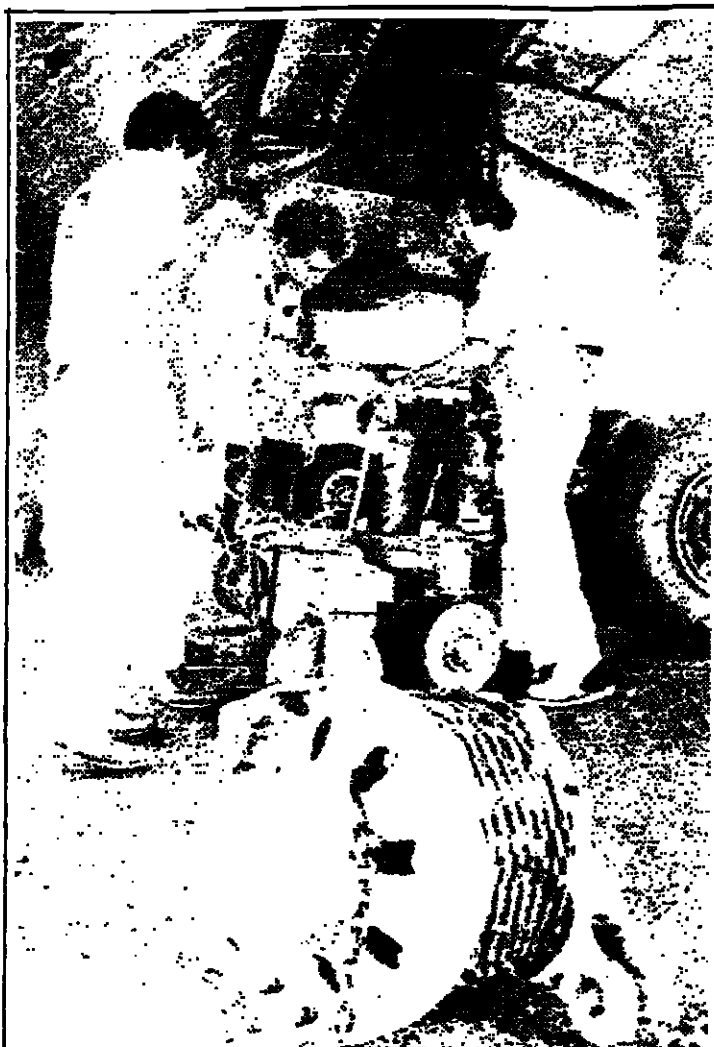
before the pain of his cancer forced him to take to his bed, Wayne left his ninth floor suite for the mail room on the ground floor to thank the staff who had sorted 500,000 letters sent to him.

Up until Wayne entered a coma 24 hours before his death he had been talking of making yet another film. It was to be called "Beau John" and dealt with contemporary family life. "Damn, it's funny," Wayne was said to have said to friends.

Actor Glenn Ford, said to have been deeply upset by his old friend's death, said "We have lost a very special man who gave our industry a dignity which will never be equalled. No one will ever replace the Duke."

James Stewart, who visited Wayne a week before he died, called him "The most highly thought of and most popular film actor in history."

Actor-turned-politician Ronald Reagan said, "The death of John Wayne marks the end of an era in



NEAR MISS: Flight 5031 bound for New Zealand abandoned its takeoff Sunday from Honolulu International Airport when its right main gear broke apart, causing a fuel leak. No injuries were reported.

Vorster's party chooses candidate for succession

CAPE TOWN, June 13 (AP) — The ruling Nationalist Party Wednesday selected Senator Margis Viljoen to replace John Vorster as president of South Africa.

Vorster resigned June 4 after a government-appointed panel determined he had lied about his knowledge of a propaganda campaign scandal.

The Nationalist Party technically selected Viljoen as its candidate for state president. But its large majority in parliament virtually assures his election.

Viljoen's selection to replace Vorster was expected. The presidency is largely a ceremonial post, with the prime minister the country's real leader.

Prime Minister Pieter Botha had announced Vorster's resignation upon the release of the final report of an investigation into a

top-secret information team that operated a world-wide propaganda campaign to influence world opinion in favor of South Africa.

The report found that despite his repeated denials, Vorster knew all along about irregularities in the \$160-million secret war to influence world opinion in favor of South Africa. It also found that he participated in the coverup of the irregularities.

The campaign was led by Dr. Connie Mulder, once considered the most likely successor to Vorster as prime minister.

A bill was introduced in Parliament Wednesday providing a special account for the South African Information Service to obtain secret funds. But the bill provides for the prosecution of anyone misusing money from the fund.

Over Emergency

Special courts start against Indira, aides

NEW DELHI, June 13 (AP) — Special courts, established by parliament to speed the prosecution of former Prime Minister Indira Gandhi and her aides, opened Tuesday and were urged to hear cases already filed with local magistrates.

The 61-year-old opposition leader has alleged that the courts are part of a political vendetta by Morarji Desai's government.

The cases stem from an official inquiry which heard scores of witnesses testify about alleged abuses of power, illegal arrests and torture during the 1975-77 Emergency imposed by Mrs. Gandhi.

Two of the courts, in a maharajah's former mansion here, ordered that records in a case against Mrs. Gandhi and two aides and another against former Information Minister V.C. Shukla be presented by Thursday. There was no indication when Mrs. Gandhi would be summoned to appear.

Mrs. Gandhi, her secretary R.K. Dhawan and former chief of the Central Bureau of Investigation, Devendra Sen, are charged with criminal conspiracy to cause wrongful prosecution in 1975 of four officials investigating her son Sanjay's automobile firm at the request of parliament.

The same allegation led to her expulsion from parliament and a week in jail last December after the lower house found her guilty of contempt and breach of privilege. Her detention set off nationwide protests by supporters.

An official of the CBI, which filed the case for the government, said the three also face charges of forgery and preparing false documents.

Shukla is charged with illegally ordering government-employed artists to design posters for his 1977 election campaign.

Last February, he and Sanjay Gandhi were convicted of destroying a film satirizing Mrs. Gandhi's regime. The two have been sentenced to two years' imprisonment, but are free on bail while they appeal.

The latest round of legal moves against the former prime minister

coincides with growing dissension within her party.

Mrs. Gandhi's former close lieutenant, Karnataka State Chief Minister Devraj Urs, has rejected her demand that he relinquish the state party leadership, a stand which could soon lead to a party split.

Last month, Mrs. Gandhi called for a massive public protest against the special courts, but less than a tenth of the one million persons predicted turned up at the rally, hurting her image as a charismatic leader who could still draw large crowds.

But the Disciplinary Committee of Desai's Janata Party Tuesday recommended the expulsion of a leading dissident from the party's top executive body for disobeying party rules.

Carter promises Kennedy caning if he tries 1980

WASHINGTON, June 13 (AP) — If Senator Edward Kennedy (D-Massachusetts) makes a run for the 1980 Democratic presidential nomination, President Carter is quoted as saying he will "whip his ..."

Two Congressmen who attended a White House dinner earlier this week said Tuesday night that Carter made the remark after being asked about a possible challenge by Kennedy.

Representatives William Brodhead (D-Michigan) and Thomas Downey (D-New York) said they both heard Carter reply, in answer to the question, "If Kennedy runs, I'll whip his ..."

The president repeated the remark after being asked to do so.

Some 60 House members attended the dinner Monday night, and were also given a briefing on legislation now in the House to implement the controversial Panama Canal Treaties.

Downey, who was sitting next to Carter at a small table, said Carter was asked how he felt about the 1980 race. Downey quoted him as saying, "I feel good. I'm ready."

The president then was asked about Kennedy, and Brodhead said he then made the remark.

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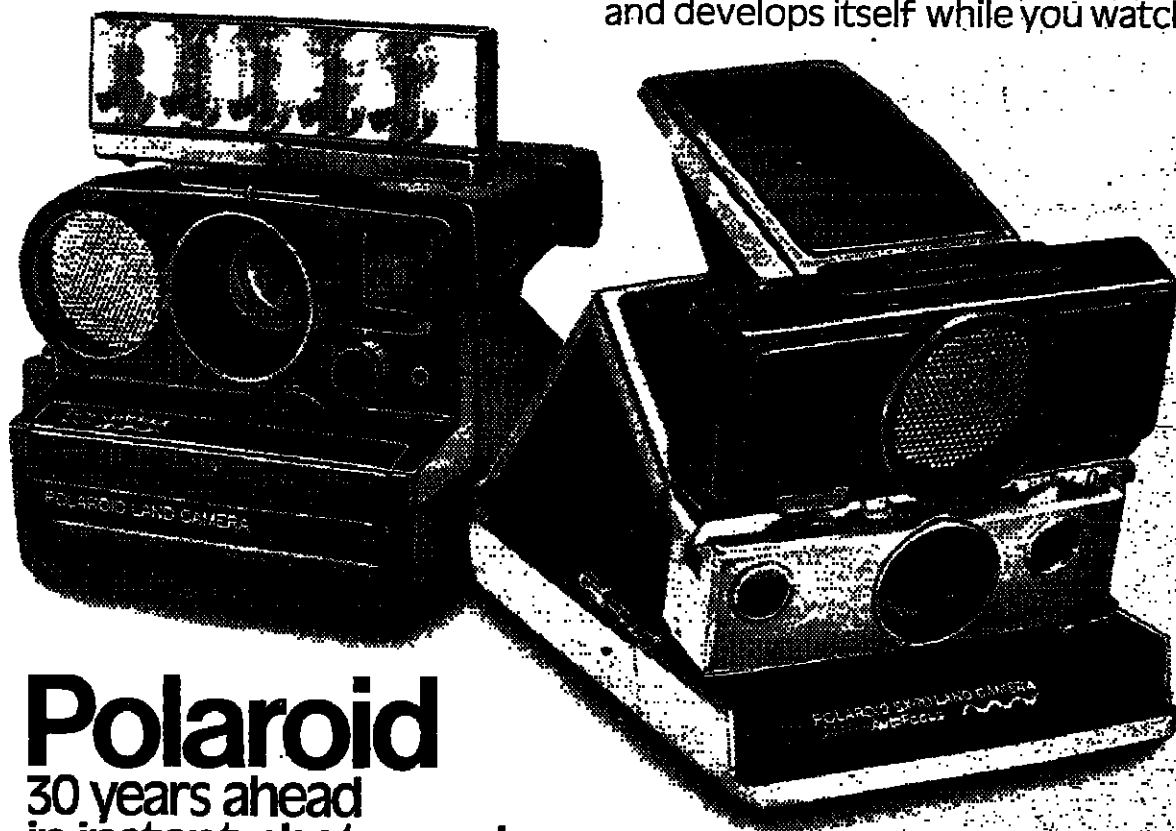
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Direct taxation sharply cut in British budget

LONDON, June 13 (Agencies) — True to its campaign promises, Britain's Conservative government Tuesday announced a sharp reduction in personal income taxes and sweeping cuts in government spending.

Chancellor of the Exchequer Sir Geoffrey Howe said that his budget was a "turning point" and a "new beginning" aimed at reversing Britain's economic decline by giving people more incentive.

Among the measures announced was a reduction in the basic rate of income tax from 33 to 30 per cent and a sharp cut in the top rate to 60 per cent, which is about the European average.

By cutting spending in various government departments, the chancellor also said he hoped to save £1.5 billion this year.

Also true to the campaign platform, Sir Geoffrey said he will increase defense spending by 100 million, mainly for new equipment.

To help make up for revenue lost from lower income taxes, he announced a new "unified" rate of value added tax of 15 per cent. The previous rate was eight per cent on most purchases but 12.9 on luxury items.

The chancellor had some good news for investors in announcing an abolition of controls on dividends, which the Labor government had limited to 10 per cent a year.

Despite the higher sales taxes and the expected rise in the cost of living, the chancellor said the average person will still be better off.

He told the Commons that a family man with a weekly salary of £100 will have an extra £4 in his pocket because of the tax cuts. Even after paying the higher sales tax he should be about £1.30 better off at the end of the week.

"Pay as you consume, not as you earn," has been a pillar of Tory economic philosophy, and the chancellor told the Commons: "True, the prices are increased by the tax proposals, but we have done everything we can to ensure that every family in the land will have more money to pay the incoming bills. What is more, the choice of how they spend their income will be theirs and not that of the government."

He also pushed the minimum

lending rate up sharply by two per cent to 14 per cent and swept aside controls on the investment of British capital abroad.

He would sell much of the state holdings in industry such as some government shares in British Petroleum.

Sir Geoffrey said price rises would add 3.5 per cent to Britain's retail price index. It stands now at an annual rate of 10.1 per cent. In parliament, Labor members shouted in anger, and the leader of Britain's biggest trade union, the Transport and General Workers, Moss Evans, said the budget was a "shocker". Wage claims would take the budget price rises into account — a hint that Britain might see huge wage demands later this year.

The budget was generally welcomed in business circles, but the first reaction from industrialists was that it might give them tough bargaining problems with the trade unions, especially next winter when the main pay claims come in.

Reviewing last year's economy, he said there had been rising consumer spending, but manufacturing had dropped by four per cent and Britain was "living on imports".

He set out four principles for the government's economic strategy, including incentives by lower taxes, more freedom of choice by reducing the role of the state, and cuts in public spending.

His fourth was encouraging responsible pay bargaining. Sir Geoffrey said the public sector borrowing requirement would be cut from £9.25 billion in 1978-9 to £8.25 billion in this financial year.

This would involve widespread cuts in public spending such as money spent by local authorities and services.

Oil crisis wrecking West economy, U.S. aide says

PARIS, June 13 (AP) — U.S. Deputy Secretary of State Warren Christopher warned Wednesday that the world energy crisis threatened the efforts of the industrialized nations to improve their unsatisfactory economic growth rates and keep their inflation under control.

Addressing the annual ministerial meeting of the 24-nation Organization for Economic Cooperation and Development (OECD), Christopher said the energy crisis was largely due to the disruption of Iran's oil exports during and since the Iranian revolution.

He said "the global energy situation has become far more critical, while the need to reduce our dependence on imported oil and to speed development of alternative energy sources has become even more urgent."

"The recent sharp rise in oil prices, and the prospect of even further increases, is threatening our efforts to increase inadequate rates of economic growth and to lower unacceptably high rates of inflation," he added.

He called for cooperation among oil consuming nations and between the consumers and the members of the Organization of Petroleum Exporting Countries (OPEC), and declared, "No country can solve its energy problem on its own — we must find a common solution to our common problem."

He pledged that the U.S. would comply with a call by the International Energy Agency (IEA) for a five per cent cut in oil consumption by the major importers.

OECD Secretary General Emile van Lennep called for "energetic action" to stop the new inflationary spiral which he said reached a rate of 1.1 per cent in the OECD member countries in April, the highest monthly increase in the past two years.



MOSCOW: The Soviet IL-86 jet, presented at the Paris air show this week. It can take up to 350 passengers, and can develop a speed of up to 950 kilometers an hour.

Market rallies after U.S. report

Gainers lead losers by 4 to 1

NEW YORK, June 13 — With the news of Morgan Guaranty's cut in the prime rate to 11 1/2 per cent from 11 3/4 per cent and U.S. business inventories up 1.4 per cent in April to a seasonally adjusted \$397.1 billion, the market rallied during the trading session to almost 11 points Tuesday. Stocks across the board and volume were strong and at the closing bell the Dow Jones Industrial Average gained 7.71, transports advanced 2.58, and utilities rose 1.19. Volume of trading for the day was 45.6 million shares. Breadth was on the positive side as gainers outnumbered losers by a 4 to 1 margin. The American Exchange Index gained 1.97 to 196.04.

Among the most active, Citicorp World fell 1 to 30 3/4, Tectra off 1/2 to 15 1/4, Charter Co. advanced 1/2 to 36 3/4, IBM gained 1/2 to 78 and Storage Tech. lost 1/2 to 17 1/4.

Growth and gloom were mostly positive with Abbott Laboratories up 1 1/2 to 34, Johnson and Johnson gained 2 to 72 1/2, Eli Lilly rose 1 to 56 1/2, Revlon up 1 1/2 to 47 1/2, Pantryco rose 1 1/2 to 72 1/2, Hoechst gained 1 1/2 to 71 1/2, Rexam Kodak up 1 1/2 to 37 1/2, Texas Inst. advanced 2 to 91, Motorola up 1 1/2 to 46 1/2, McDonald's rose 1 1/2 to 47 1/2 and Philip Morris gained 1/2 to 33 1/2.

In the energy sector, Cities Service up 1 1/2 to 69 1/2, Mesa Petroleum up 1 1/2 to 69 1/2, Getty Oil up 1 1/2 to 45 1/2, Standard of Indiana off 1/2 to 65 1/2, and

Pittman rose 1/2 to 25. Basic industry losses turned in a positive performance with Bank of America up 1/2 to 22, Allied Chemical rose 1 1/2 to 3 1/2, DuPont gained 1 1/2 to 127 1/2, and International Paper rose 1/2 to 45.

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But no development plan emerges

First oil sands meeting ends

EDMONTON, Canada, June 13 (AP) — Seven working days and more than 100 scientific papers after it started, the first world conference on heavy oils and oil sands ended Tuesday with no clear decision on whether the world's energy salvation lies in those once-unwanted resources.

Throughout the U.N. conference, representatives from 34 countries debated whether the resources can be developed fast enough to meet growing global shortages of conventional light oil. Complex and costly solutions were outlined for the problems of extracting and refining the sluggish, mineral-laden heavy oil and the immobile, even-heavier oil that lies in oil sands.

Left unanswered was the question of whether the international community can muster the will, money and manpower needed for large-scale development of the trillions of barrels that appear in more than 60 countries.

The delegates could not agree on a precise scientific definition of where light oil stops and heavy oil begins.

"We came close but we failed," said Clem Bowman, head of the Alberta Oil Sands Technology Research Authority.

Conference spokesman said they had made significant progress in their campaign to draw the attention of government and industry to heavy oil, which was usually shunned in the past by companies seeking the easily-refinable light oil.

"This first international conference, held in Edmonton, will enter

history as the beginning of the heavy crude and tar sands period," said Joseph Barnes of the U.N. Institute for Training and Research.

Barnes, principal organizer of the conference, said a crash program of developing oil sands could eliminate world oil shortages in 10 to 20 years.

Others said development would be slowed by technological inefficiencies and huge costs — \$4 billion for one oil sands plant, \$1 billion for one heavy oil upgrading plant.

The alternative, however, was described by Royal Bank of Canada forecasters, who said oil costs in 15 years would be about four times higher than current

prices. One policy statement that won general consent Tuesday noted that environmental regulations have often blocked heavy oil projects. The statement added, "The immense heavy oil resources of the world offer the most rapid and less expensive response to the shortage of oil supplies."

But, it said, such development may be impossible if capital costs, operating expenses, taxes and oil prices are not favorable.

Delegates also called for the creation of a U.N. information center on heavy oil and oil sands; sharing of technology between countries; and organization of a follow-up conference in 1982 or 1983.

U.S. steel import quotas extended by eight months

WASHINGTON, June 13 (AP) — President Jimmy Carter Tuesday extended import quotas on specialty steel for eight more months, less than the three-year extension sought by U.S. opponent of foreign steel.

Carter has been under European pressure to drop the quotas altogether.

The quotas protect the U.S. steel industry from less expensive stainless steel and alloy tool steel from Japan, South Korea and Western Europe.

The quotas were first imposed in 1976 by then-President Gerald Ford. They were scheduled to expire Thursday.

Last week, the Congressional Steel Caucus, a group of legislators from steel-producing states, urged Carter to extend quotas for three more years.

Carter issued a proclamation saying he had found an eight-month extension "in the national interest."

Under the extension, the quotas will expire Feb. 13, 1980.

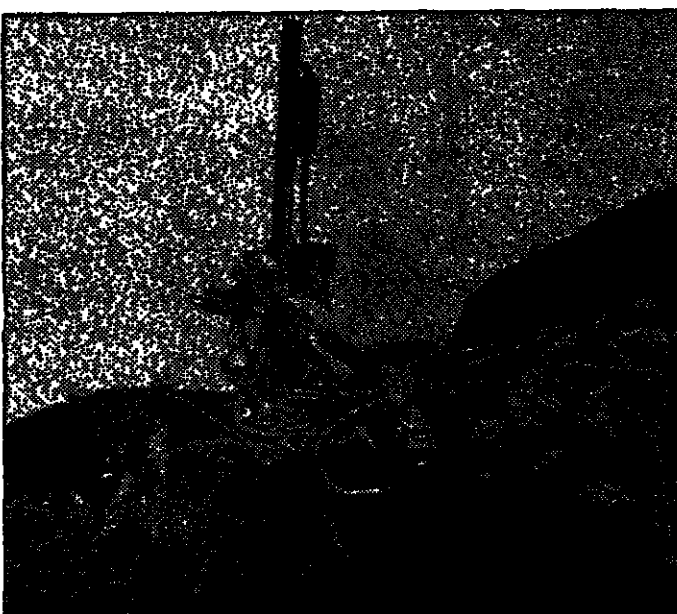
The president's decision was denounced by Sen. John Heinz, R-Pennsylvania, who said the move "is totally inadequate and shows an utter disregard for the well-being of the American worker."

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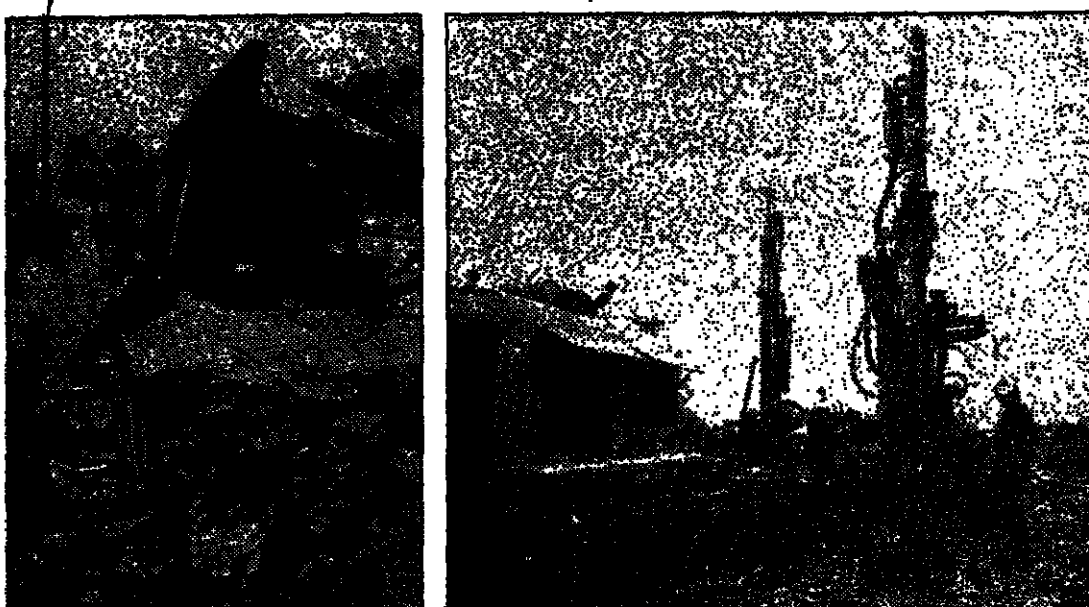
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FOREIGN EXCHANGE RATES

Opening Wednesday	SAMA rate	Cash	Transfer
U.S. Dollar	3.40	3.41	3.41
Pound Sterling	7.03	7.20	7.20
Deutsche Mark (100)	178.00	179.00	178.30
Swiss F (100)	196.00	198.00	197.00
French F (100)	77.00	77.00	77.25
Italian Lira (1000)	4.00	4.02	4.01
Lebanese Lira (100)	—	104.75	103.75
Syrian Lira (100)	—	76.50	87.75
Egyptian Pound	—	4.58	4.81
Kuwaiti Dinar	—	12.70	12.23
Jordanian Dinar	—	11.12	11.15
Emirates Dirham (100)	—	89.00	89.00
Qatari Riyal (100)	—	90.50	90.50
Bahraini Dinar	—	8.90	8.90
Iranian Riyal (100)	—	—	—
Iraqi Dinar	—	—	—
Yemeni Riyal (100)	—	75.00	74.65
Moroccan Dirham (100)	—	77.00	87.75
Indian Rupee (100)	—	37.00	41.75
Pakistani Rupee (100)	—	34.00	34.55
Gold kg	—	30,500	—
10 Tolas bar	—	3,555	—
Silver kg bar	—	—	—
Japanese yen (100)	1.55	—	—
Canadian dollar	2.89	—	—
Belgian franc (10)	1.11	—	—
Dutch guilder	1.62	—	—

SAMA rates announced by the Saudi Arabian Monetary Agency, based on average rates on the London money market and the official price of the U.S. dollar.

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Saudi Arabian Government Tenders

Authority	Description	No. of Tender	Price SR	Closing Date
Municipality of Mecca	Removing, pressing and stacking of scrap cars lying on roads in Mecca	2	1000	July 9
Directorate of the National Guard	Constructing of the fourth stage of the Guard's technical and military schools buildings in Khassm Al-Aan, Riyadh	23-98/99	6000	June 23
Directorate of Education, Qatif	Maintaining, operating and repairing of power generators at government schools	200	—	July 14
Ministry of Municipal and Rural Affairs	Fencing of Hindi and Marhab graveyards in the Central Province	26-97/98	300	July 3
"	Fencing of Al-Hariq graveyard in Al-Washm, Central Province	"	400	July 7
"	Fencing of graveyards in Rafia, rawzan and Rafia villages under Hayathem municipality	"	600	July 8
"	Fencing of Mujadah graveyard	"	150	July 9
"	Fencing of Tariyah graveyard in Shamashah, Qassim	"	500	July 10
"	Fencing of rural graveyards in Abi Arish	"	200	July 14

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EMBRACING THE RENEGADES

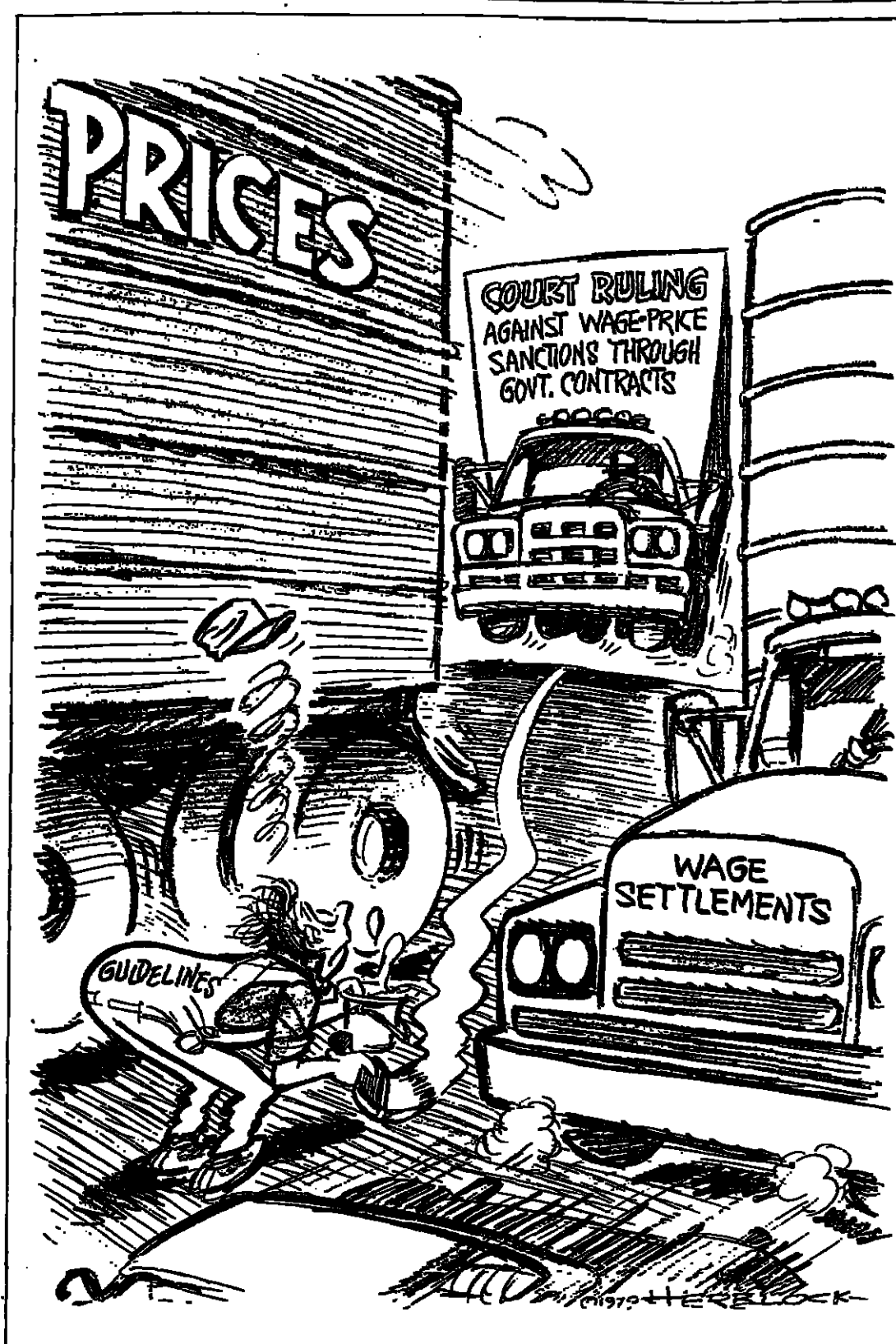
The puzzling manner in which the United States conducts foreign affairs danced into view again yesterday when the Senate, as part of its perpetual petulance with President Jimmy Carter, voted to lift economic sanctions against the new government of Zimbabwe Rhodesia. Only a few days ago, Mr. Carter told the Congress that such action has not been justified by the new elections and the government led by Bishop Abel Muzorewa. The Senate, however, wants no chaperone in choosing its partners, even when the counsel is made from a standpoint of basic justice and racial equality.

On this score, that is how Mr. Carter has approached Zimbabwe Rhodesia. There are obvious parallels between what is supposed to be a black majority government in Rhodesia and the Palestinian autonomy Israel is pushing so vigorously for the occupied territories of Palestine. Mr. Muzorewa rules with no authority over the police or the armed forces, which remain firmly in the hands of Rhodesia's white minority. The Zimbabwe peoples outside the country, whether refugees or guerrilla fighters, were denied the opportunity to participate in the elections. The constitution under which the elections were held was drafted by the minority and presented to the electorate as a fait accompli. One can imagine how envious Menahem Begin must be of Ian Smith's adroit caper.

As for U.S. foreign policy, Mr. Carter has been foxed by an old hand in south African affairs, Senator Harry Byrd of Virginia. Sen. Byrd was the author of an amendment lifting the sanctions tied like a ribbon to a military procurement treaty. He has successfully dressed the Senate in this garb before. When the United Nations first voted to enforce economic sanctions against Rhodesia in the 1960s, Sen. Byrd put through an amendment allowing U.S. purchases of Rhodesian chromium. The United States thus openly flaunted its U.N. obligations for several years before Sen. Byrd's ribbon was snipped. Even the British were coy enough to supply Rhodesia with oil on a furtive basis instead of acting the brazen friend of racism on the world stage.

It remains to be seen how the British will behave toward Zimbabwe Rhodesia, although Prime Minister Margaret Thatcher has made no secret of her desire to recognize Mr. Muzorewa's government. As for the intrepid Mr. Carter, he is now claiming to have snatched victory from the Senate's rebuke of his authority. The President intends to veto the Senate's action, gaining from his constitutional powers what he cannot from his political graces.

The whole affair is another sad example of how the United States is distancing itself from fellowship with the developing countries of the world in order to embrace the renegades.



Cyprus peace crucial to SALT

By Juliet Pearce

Once again the two communities of divided Cyprus are trying to break the deadlock which has made this island a political sore and a major international headache.

The dialogue between the Greek majority and the Turkish minority begins on June 15. According to a preliminary 10-point agreement, the talks are to be carried out in a "continuing and sustained manner, avoiding any delay." However, no specific timetable has been set.

The object is to determine whether the two ethnic groups, separated by barricades and gun emplacements, can ever envisage being one country again. At this stage they are wide apart on every conceivable issue except perhaps, in the words of Turkish leader Rauf Denktaş, in considering Cyprus as their home.

Both Denktaş and Greek Cypriot President Spyros Kyprianou have been preaching caution since their decision to resume the dialogue. The fact that such a decision was made was already regarded as a form of breakthrough in the protracted war of nerves.

The preliminary agreement was reached under strong pressure from United Nations Secretary-General Kurt Waldheim, who chaired 14 hours of gruelling talks in May. Waldheim left Cyprus relieved but as cautious as the two protagonists. "I am not a prophet; I cannot say what will come out of these talks," he said on departure.

In the immediate future, the resumption of the talks is likely to assist President Carter in his bid to help the battered economy and beleaguered armed forces of Turkey, America's wobbly ally on the southeastern flank of the North Atlantic Treaty Organization. The U.S. Congress lifted its punitive arms embargo on Turkey last August on condition that progress would be made in Cyprus, where Turkey maintains an expeditionary corps in the north of the island.

Until the decision to resume the intercommunal negotiations, Carter had not been able to report much progress. And time is running out in more than one way: the 26 American military installations on Turkish soil are operating on a temporary basis, expiring on Oct. 9. Some time before then a satisfactory economic-military package has to be worked out.

The strategic importance of the monitoring installations was underlined by the loss of similar facilities in Iran. Moreover, Turkish air space is

needed to permit American U-2 spy planes to monitor Soviet compliance with the latest Strategic Arms Limitation Treaty (SALT 2).

Almost immediately on the heels of the decision to resume the Cyprus dialogue, the American Senate voted to increase military aid to Turkey by \$50 million. It is a fraction of Turkey's needs but it indicated a changed trend in the American legislative body.

Cypriots themselves prefer to wait and see. Too many false hopes have been raised and quashed since intercommunal strife erupted on the island in December, 1963, necessitating the dispatch of a U.N. peace-keeping force.

The talks, to be carried out by specially appointed negotiators, are to be based on the so-called "guidelines" adopted two years ago by Denktaş and the late President, Archbishop Makarios. The heart of the guidelines is that Cyprus should be an independent, bi-communal republic, with freedom of movement for its inhabitants and a central government based on the bi-communal nature of the state.

Each side, however, interprets the guidelines in a different way. The Greeks are seeking a more unitary concept. The Turks want a clear administrative division between the ethnic groups and speak in terms of a bi-zonal rather than bi-communal federation.

The preliminary agreement did stress that measures should be taken against union "in whole or in part with any other country and against any form of partition or secession." This would indicate that the Greeks are to stop seeking Enosis (union with Greece) while the Turks are to give up ideas of partition or a unilateral declaration of independence for their sector.

The initial negotiations are likely to center on Varosha, the modern sector of the once busy port of Famagusta, abandoned by its Greek inhabitants and subsequently sealed off by the Turkish army. Last year Denktaş offered to allow resettlement of 35,000 refugees in Varosha under U.S. auspices. The offer was rejected by Kyprianou as a "banana peel."

Now the two sides have decided to seek the re-settlement of the ghost town and implement it "without awaiting the outcome of the discussions on other aspects of the Cyprus problem."

Varosha, basically, is the crux of the matter. Once the Greek refugees start returning to its empty streets and houses, an enormous irreversible step forward will have been taken. — (OFNS)

Another setback for peace

By William Claiborne

RUJEIB, Occupied West Bank — In a lightning-fast, helicopter-supported military operation, Israel has established a new civilian settlement on a stony hill overlooking the Palestinian town of Nablus — the first Jewish outpost since the signing of the Egyptian-Israeli peace treaty.

The settlement, approved by the Israeli cabinet in the face of vehement opposition by the United States and Egypt, had become an accomplished fact by nightfall, with the Israeli flag flying amidst a compound of half a dozen tents alongside this tiny village about two miles southeast of Nablus.

Officials of Gush Emunim, the ultranationalist organization that will form the nucleus of the new Elon Moreh settlement, and members of the World Zionist Organization, which conducted last week's precision operation with the support of the Israeli army, said 1,000 settlers will move into the area in the first stage.

Gush Emunim envisions an urban complex reaching 100,000 persons within ten years — twice the size of Nablus itself.

But, in its first night, Elon Moreh was little more than a rustic campsite of pitched tents on a wind-swept hilltop, heavily guarded by army troops who kept at a distance approaching strangers and flocks of curious Palestinian children from this tiny farming village perched on the ridge overlooking the new outpost.

Villagers talked excitedly about the bulldozers that had been cutting a new roadway access to the remote settlement, pointing to earthmovers and bulldozers that were parked alongside the army tents.

Earlier in the day, helicopters landed the vanguard of the settlers and their protective army escort, bringing in barbed wire for a perimeter fence and generators and water tanks to sustain the settlement until the new road is completed.

Bulldozers were busy scraping a new road on which flatbed trucks soon will be hauling in concrete prefabricated bungalows for the first settlers.

Among the first arrivals at Elon Moreh was Agriculture Minister Ariel Sharon, who told the settlers that the timing of the construction was important "because it goes in the face of opposition" raised by critics of Israel's West Bank settlement policy.

Immediately before work on Elon Moreh began, requisition orders for several hundred acres of Palestinian-owned land had been handed to their owners by military officials.

Sharon announced to the group that the government of Israel had "proved its credibility" inside and out of Israel and had "demonstrated dramatically its right to settle in all parts of Eretz Israel (the biblical term applied to both Israel proper and territories occupied in the 1967 war)."

The new settlement will be established by Gush Emunim's Elon Moreh group, which has been waiting for almost three years near the former Jordanian army base at Kadum for government permission to move here. On September, Gush Emunim almost caused a government crisis by establishing an illegal settlement near this site until 150 of its members were removed forcibly from their makeshift quarters by the army.

Settlement opponents reacted sharply to the creation of the new Elon Moreh site.

Opposition Labor Party members of the Knesset (parliament) said the joint Gush Emunim-army operation was "another setback" for the planned autonomy for West Bank and vowed that the Labor Party would introduce a motion in the Knesset against the move.

The "Peace Now" movement, which has persistently opposed the Likud government's settlement policy, said it would wage a new campaign against further Jewish outposts in the occupied territories.

Gush Emunim officials said that women and children would be taken into Elon Moreh-Friday morning "to make permanent" the new outpost. "When there is a national need to requisition land then one has to requisition just as we did in the coastal areas," said Haman Forat, a Gush Emunim official.

However, Elias Khouri, a Palestinian attorney long active in land cases in the West Bank, said he will file an appeal in the Israeli Supreme Court to stop the settlement.

Deputy Prime Minister Yigael Yadin, who along with Defense Minister Ezer Weizman and Foreign Minister Moshe Dayan, voted against approval of the Elon Moreh outpost, said he had done everything he could to block the move, but that the settlement had won a majority of the cabinet. — (WP)

Leadership differences in China

By Jay Mathews

HONG KONG — Two years after the beginning of major shifts in Chinese political and economic policy, Peking is admitting with unusual candor that still-active resistance to the changes exists among the people and within the government.

In a series of speeches leading up to meetings of China's central party and legislative organs, government leaders have spoken of attempts to "split the party center" and denounced attacks on government policy from both the "right" and the "ultra-left."

Some unidentified local and national officials, as well as ordinary citizens, appear to be attempting to slow or stop efforts to revive the economy through cash bonuses to better workers, less restraint on peasants' free enterprise and free expression. On the opposite side from these "ultra-leftists," committed to the ideals of the late Chairman Mao, are young people, sometimes termed rightists, who apparently want to push free expression even further than the current government is willing to go.

"These are the most public admissions of leadership differences we've had in some time," said one analyst here. The speeches indicate that Party Vice Chairman Deng Xiaoping and his colleagues are still firmly in power but are struggling to ensure that their policies are actively pursued.

The front page of the "Peking Daily," itself sometimes at odds with editorials in the national "People's Daily," recently reported "misunderstandings and divisions which have come up between a certain number of comrades." It said such differences also "exist among the masses" and that everyone should "make more self-criticisms and overcome petit bourgeois factionalism."

In a speech broadcast recently, northeastern military commander and politburo member Li Desheng warned against "the reactionary trend of thought" of opposing socialist principles and also against "statements and actions designed to attack and split the party center on the pretext of 'holding high' the banner of Chairman Mao. Until his death in September 1976, Mao appeared to resist attempts to raise wages for better workers, let peasants open free markets or allow criticism of Mao's own work, as the post-Mao government is now doing to a limited extent.

The National People's Congress, China's parliament, is expected to meet soon, diplomatic sources in Peking say. First, however, the ruling Communist Party Central Committee must meet to approve

instructions for the parliament. Diplomats are uncertain whether the leadership differences will show up at the meetings in a reshuffle of posts, or whether the government will follow its most recent policy of leaving even discredited officials in place and papering over differences.

Recent broadcasts from several large cities of China indicate that instructions have been sent down from Peking to publicize "the latest important speeches by leading comrades of the center" on the policy split.

Communist sources here and diplomatic sources in Peking suggest Deng has been blamed for some social disturbances by his party Vice Chairman and former Mao bodyguard Wang Dongxing.

Deng's covert encouragement of wallposter critiques of Mao late last year led to wholesale attacks on Communism itself from a few young activists, who were later jailed. Some workers complained that Deng's bonus systems were being abused by people who would not work at all without a bonus. In some areas, peasants have tried to take advantage of relaxed party controls and divide up collectively owned tools and land among families, a direct violation of the commune system set up in the late 1950s.

The response from Deng's colleagues, apparently reflected in the latest "important speeches" being passed around, staunchly defends bonuses, relaxed controls and freer expression. It blames the social disturbances on sabotage by people under the "pernicious influence" of the Gang of Four, the pro-Mao clique that was purged shortly after Mao's death.

Wan Li, party chief in Anhui province and one of Deng's closest colleagues, presented this case in a lengthy front page article in the "People's Daily" and in a speech broadcast in Anhui recently.

"Some people have grasped minor issues and exaggerated and made a fuss about them," he said. "They have plenty of complaints and grievances and they have even attacked the party by saying that its line has swung to the right and that its whole series of principles and policies have gone astray."

He defended Deng's emphasis on "persisting to seek truth from facts," meaning solving each problem differently depending on the circumstances. This is better than the former insistence that "we should copy exactly what the books say," meaning what is in the works of Mao.

The debate over this issue in the last two years is greater than any of the debates over theory issues on the ideological front since the founding of the People's Republic Of China, in 1949, Wan said. — (WP)

saudi press review

"Shortly after Israel succeeded in splitting Arab ranks with the separate peace treaty with Sadat's Egypt, the Arabs have had to brace themselves for further trouble caused by other states especially those which are under the influence of Israel or their Jewish communities," said "Al-Medina".

"One of these is the government of Canada. Led by Joe Clark it has made the future of the holy city of Jerusalem a political issue in that country. Clark made the transfer of the embassy from Tel Aviv to Jerusalem an election pledge. He won the election and seems to be intent on carrying out his promise and we should not be surprised if he does."

"In the past, the Arabs could not prevent states from recognizing Israel and establishing embassies in Tel Aviv. But they certainly can take action with regard to Canada," the paper said.

"They and the Muslim states

should define what they can and should do not only through political denunciation but also by suspending economic relations with Canada as soon as it carries out its decisions. It is high time for the Arabs and Muslims to remove the impression that they are unable to take any action in defense of their interests when they are so flagrantly threatened."

Another "Al-Medina" commentary dealt with the story of a 25-year-old girl who chose voluntarily, and indeed insisted, on marrying an 86-year-old man against the better judgement of her father. The writer said "this is a strange happening because she must be aware at this age that she cannot find happiness and self-fulfillment in such a match. She must either be a philosopher or totally mad."

"Al-Jazirah" said that Jeddah "has truly become the bride of all cities in the country" and attributed the distinction to Mayor

Muhammad Said Farisi.

Answering critics that the mayor is seldom at his office, the writer said that Farisi "must not be expected to be at his office at all times. To get the job done he moves about the city and examines the myriad of projects being carried out, takes on the spot decisions and issues directives to accelerate the work."

On the visit of Prince Naif to France "Okaz" said that the visit "is in the context of an ongoing Saudi diplomatic activity in support of Arab rights and interests."

"France has understood the dimensions of the Arab-Israeli conflict by reiterating its stand and belief that a comprehensive and just peace in the region will not be achieved without full Israeli withdrawal from the occupied territories and the restoration of Palestinian rights."

"France has also expressed its intention to work through the

European Community and outside it to counter American efforts to impose the Israeli concept of peace on the region. This French position has been beneficial and has enabled the Europeans to see more clearly through the haze thrown up by the Israelis."

"Because of the government's determination to control inflation in various ways, we in this country have been spared the agonies of spiralling costs that have afflicted so many other countries," according to "Okaz".

"In pursuit of this policy the government has been following up the status of demand and supply so that it may take appropriate action when needed."

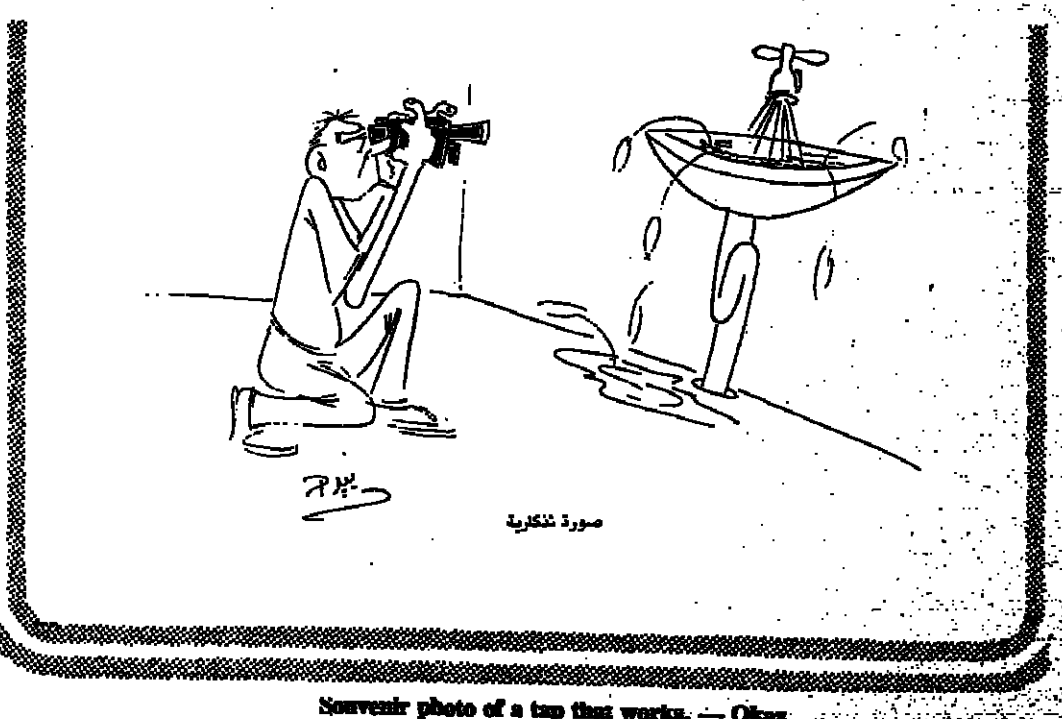
It has also encouraged fair competition and prevented monopolies and subsidized certain commodities. Reports that the cost of living index has gone down by 1.6 per cent is an indication of the success of this policy as it is the

first time a reduction is registered since 1970. This means that King Khalid's prudent financial policy assisted by the Crown Prince has been a formidable success."

"The second round of negotiations for the so-called self-rule plan for the West Bank and Gaza was no better than the first because Israel has no intention of conceding the Palestinians' right to self-determination "Okaz" said

"According to statements made by Israeli leaders, the whole exercise of the talks is to cover up their refusal even to discuss the possibility of an independent Palestinian state while Israel persists in building more settlements in the occupied territories."

"In a message to the Minister of Posts Telephone and Telegraph, "Al-Bilad" said it could not get through to him because all the paper's telephone lines were out of order.



News photo of a tap that works. — Okaz

مكزا من الأصل

Blacks 'left to die' in South African hospitals

By Peter Deeley

LONDON — Large numbers of mentally ill blacks are "dying needlessly" in South African psychiatric institutions. This is the major conclusion of a report, just published by the American Psychiatric Association, whose contents are a scathing condemnation of the privately run but state-supported homes.

A four-man team from the APA visited South Africa at the invitation of the government's department of health, after world criticism of conditions for 10,000 blacks in a series of institutions run for profit by Smith Mitchell and Co., a Johannesburg chartered accountants' partnership.

The investigators, led by Dr. Alan Stone, a black, who is president of the APA, found unacceptable medical practices; medical and psychiatric care "grossly inferior" to that provided for white inmates; totally inadequate numbers of professional staff, and some instances of abusive practices towards patients.

Their report, which has been greeted by South African health authorities with outraged indignation, concludes: "We found that apartheid has a destructive impact on blacks, their families, their social institutions and their mental health. We believe that these findings substantiate allegations of social and political abuse of psychiatry in South Africa."

The first allegations were published four years ago in the Johannesburg "Sunday Times" and "The Observer." It was claimed that thousands of mentally handicapped Africans were living in sub-standard conditions — without proper medical supervision — in institutions owned by a business group "making millions out of madness."

Much of the original material had been provided by members of the Church of Scientology, one of whose suspicions had been that mental black "trouble-makers" were being coked up and given drugs and electric shock treatment.

The International Red Cross carried out a preliminary investigation but decided not to issue the matter, saying it had not found patients hospitalized for other than medical reasons.

The World Health Authority, which based conclusions on published evidence, then produced a report much on the lines of the APA findings, holding that Smith Mitchell did in fact exploit the labor of patients for profit. The report condemned conditions in a homes.

Dr. Stone and his colleagues went to South Africa in September, 1978, and were shown nine Smith Mitchell institutions. Their report says that Smith Mitchell "act as secretaries" for 12 psychiatric hospitals, a system developed by the group chairman, David Tabatznik.

Tabatznik began by leasing abandoned mining compounds and converting them into facilities for tuberculosis patients — "thus saving beds at a very low capital outlay, an act which proved profitable," the report comments.

He used the same approach to create psychiatric beds when public mental hospitals came overcrowded. Compounds were used and converted and patients were then moved in, the government paying Smith Mitchell a daily rate per head. The report says: "Since Smith Mitchell's raison d'être is to provide care for less than it would cost the government, it adheres to the apartheid labor practices used by the government."

Black nurses and general staff are paid substantially less than whites and the APA report says: "Since Smith Mitchell's goal is to maximize profits, it is clear that without close supervision it might have a strong incentive to cut costs even to the detriment of patients... Less than £1 per day is available for each patient's care at a typical black Smith Mitchell facility after corporate profit-taking."

Commenting on the unduly death rate, the investigators say they were unable to find a single black patient whose medical record demonstrated adequate medical care during terminal illnesses. "Even when patients were diagnosed by a doctor as having a treatable illness, no proper treatment was given."

"Many of these deaths cannot be attributed simply to old age or to allowing old patients to die comfortably. While the death rates are even higher at Smith Mitchell's geriatric facilities, we saw charts of black patients in their 40s and 50s who were apparently allowed to die."

The investigators were told that the medical care was the responsibility of the government, not the company. "If that is correct, then the major responsibility for these needless deaths rests with the local physicians and those government officials whose responsibility it is to supervise them."

The APA report says that most patients interviewed had never had a physical examination while in the hospitals, and even psychiatric care at most hospitals was similarly inadequate.

Most black patients sleep in barrack-like dormitories with about 40 beds to each ward. Toilet facilities and bedding are largely inadequate and many go without shoes.

While the investigators found no systematic government-inspired violence towards blacks, "the violence we did uncover grows out of the mentality of apartheid, which treats non-whites as inferiors and accepts the degrading of their humanity as a matter of course."

They attribute the needless deaths of blacks in large measure to "the inadequate numbers and quality" of the professional staff at Smith Mitchell facilities.

Black nursing assistants have little or no formal training and the ratio of doctors and qualified nurses to patients is "woefully inadequate by any minimal standards." Only two institutions have physicians available on a full-time basis and the report declares that part-time doctors do not provide "even what is necessary for basic custodial care... The inadequacies of the medical staff cannot be justified as appropriate to the hopeless condition of the patients."

The investigators also looked at the question of exploitation of patient labor — either working in the hospitals or being subcontracted to local industries. No in-hospital worker receives more than a fraction of what ordinary employees would receive, the report says, stressing that any work done by patients reduces the company's costs and adds to its profitability.

Firing out labor, three hospitals earned about £15,000 in 1977, but "little if any of the revenues seem to be returned to the patients producing them," the report adds. The investigators recommend that Smith Mitchell should not be allowed to control money earned by black patients. It also condemns the practice of blacks being paid less than whites for industrial therapywork: "There can be no justification for the use of an apartheid wage scale for therapeutic work."

One of the investigators' main conclusions is that apartheid policies cannot be separated from the treatment of the mentally ill African. They found that apartheid "undermines blacks' mental health by proclaiming them inherently inferior and robbing them of individuality."

"We have no doubt that as long as the dehumanized view of blacks prevails, it will be reflected in the quality of care and the unnecessary deaths among black psychiatric patients."

But the report did not find any evidence that drugs or electroconvulsive therapy were wrongly used or that political dissidents were being confined in Smith Mitchell homes. And for all its criticisms, the report concedes that if the company hospitals were closed, the results for the black patients would be "disastrous" — with public mental hospitals so overcrowded. — (OFNS)



Saudi poet Muhammad Awwad: 'Both classical and free verse are valid forms of poetry'



The Kingdom's literary clubs...

Stimulating a new generation of writers

By Kay Hardy Campbell

JEDDAH — Legend has it that the prosody (a rhythmic song sung to instrumental music, from the Greek "prosodia") was in reality born, albeit by accident, in the mists of pre-Islamic Arabia, when a bedouin fell off his camel. Clamoring on again he continued his journey crying: "wa yadaah!" (Oh, my hand!) repeating the anguished cry to the rhythm of his camel's gait. Hence prosody.

More reliably documented are the legendary pre-Islamic poetry contests at the Okaz fair outside Mecca, where the most celebrated poets of Arabia were lavishly honored. The poems from this period are still considered the finest in Arabic literature, having flourished at a time when Europe was still only the dimly-glowing remnant of a shattered Roman empire.

Later, through the seventh and eighth centuries, charming light verse briefly thrived in the Hejaz cities of Mecca, Medina and Taif. Poetry has always been a major part of Arabian life, uniquely the realm of both the erudite and those without formal education. It is still so today.

But since the decline of the Okaz fair and the gradual dilapidation of the palatial homes of Wadi al-Aqiq outside Mecca, whose salons were the platform for great seventh and eighth century poets like Omar Ibn Abi Rabiah and Al-Farazdaq, Saudi

literature has had no official forum to nurture the talents of its writers. Until the literary clubs were formed.

There are now seven of them: in Mecca, Medina, Riyadh, Taif, Jeddah, Jizan and Abha. First to be formed, in 1975, was the club in Jeddah, a peaceful haven of quietly-scribbling writers to be found through a pair of iron gates in a modest villa in Sharafiah.

With nearly 100 members, its founder and president is the springily septuagenarian Muhammad Hassan Awwad who is considered the leading poet in Saudi Arabia. Born in Mecca around the turn of the century, Awwad grew up in Jeddah and began to write when he was 12 — first prose, with poetry following two years later. His several published works include a diwan (anthology of classical, free verse and prose).

Awwad is open to new artistic movements, especially on such controversial topics as free verse. "Both classical and free verse are valid forms of poetry, though separate moods of expression."

The twinkle in his eye reflects his contentment at the Jeddah Literary Club's development. "Previously the Kingdom was devoid of any such cultural body," he said. "There were institutions, and the universities provided some services to writers, but these were narrow and served only temporary purposes."

"Until the literary clubs were formed there was no public organization where one could learn the art of formal literature."

Awwad said the club's purpose is to become an effective forum for Saudi writers — to stimulate and encourage them, develop literary skills, publish works and spread the word so Saudi literature can take its deserved place in the world.

He can be proud of the club's achievements. The shelves of its library are lined with hundreds of mainly paperback volumes recently published by Saudi writers.

Contemporary Saudi literature has been stimulated by the prosperity that has enveloped the Kingdom. And a growing number of publishing houses, newspapers and periodicals has brought an evergrowing number of outlets for the writer.

Free verse, which has swept the Arab world over the last few decades, has now reached a position of prominence in Saudi Arabia. Short stories and essay-writing are popular, although to a lesser extent. Drama has not been strong, but is catching up with the swift advancements of radio and television in the Kingdom.

The most popular form of poetry and indigenous literature remains the classical poem, which today tackle the issues and conflicts of modern influence and technology on the traditional

Islamic way of life. No one, it is clear, is left untouched by the process of modernization.

This is nowhere better illustrated than in the — qasida (ode), the classical poetry that has dominated bedouin life for generations. Once proud warriors lauded in

verse the speed and stamina of their camels as they rode the age-old caravan routes of the peninsula. Today they may no longer be warriors, but they are still poets, still praising in verse their new uniting "ships of the desert," in such tributes as "Ode to a Benz."

KIOSK

A potpourri of events and activities from around the Kingdom.

JEDDAH

Thursday, June 14 — Sunday, June 17:

Pakistan crafts exhibition, with traditional carpets, jewelry and handicrafts. At the Meridian hotel. Pakistani food in the Oriental restaurant.

Friday, June 15:

Red Sea Sailing Association invites members and visitors to compete in three-race Sunfish dinghy series for the Olympic Trophy. At the clubhouse, Obhor creek. Racing starts 11:45 a.m. Details, telephone Peter Taylor on 58742.

Monday, June 18:

Jeddah Fine Arts Society presents lecture on Arabic calligraphy, by Mr. Al-Khateeb. At the USGS compound recreation center, opposite the Dunes club, 8 p.m.

Saudi Arabian Natural History Society committee meeting at the home of Mrs. Menzies, 8 p.m. Agenda details, telephone Tom Walcott on 52544 ext. 205.

RIYADH

Friday, June 15 — Sunday, June 17:

Exhibition of oil paintings by Muhammad Al-Salim and Al-Sattam. At the exhibition hall, Intercontinental hotel. Public welcome.

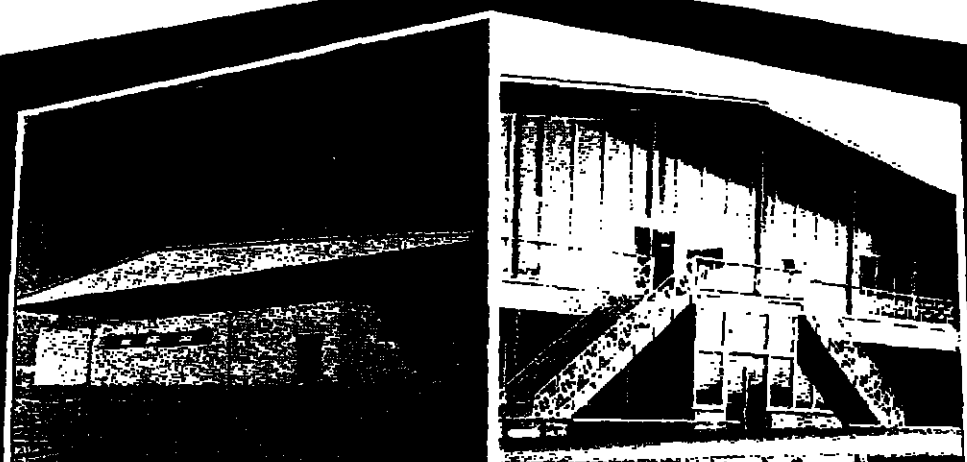
DHAHRAN

Thursday, June 14 — Friday, June 15:

Gulf squash league division A playoffs, between Aramco and the University of Petroleum and Minerals. At building 11, UPM. Games 10:30 a.m. and 2 p.m. Men only.

Monday, June 18 — Wednesday, June 20:

"At Each Slow Dusk" — revue dealing with the effects of war on society. At BAC's Al-Rowdah compound, Khobar. Details and tickets, telephone Bruce Irwin on 79-2372.



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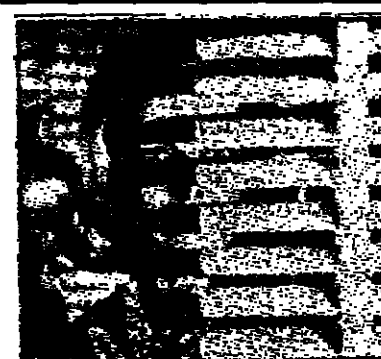
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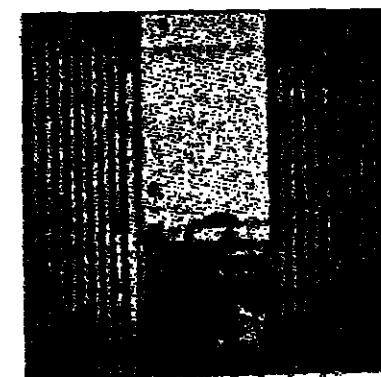
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Indians enjoy mixed fortune

LONDON, June 13 (AP) — The match between India and New Zealand at Leeds was the only one of the four Prudential World Cup cricket matches to get off to a prompt start Wednesday. Bad weather across the country held the other three.

In an eventful and fluctuating innings, after being put in by New Zealand, India reached 107 for 5 in 37 overs before lunch.

Opener Sunil Gavaskar was India's batting stalwart. He was 39 not out at the interval. Patel gave support with an enterprising 38.

The first 30 overs produced 80 runs for three wickets and, in a fourth-wicket stand of 51, Patel got his 38 before he and Amarnath were both bowled by left-hander Troup.

India put on 27 in the first eight overs before Gavaskar was bowled by Richard Hadlee for 10. Eleven runs later Vengsarkar, who had made just a single, was caught by Lees off McEchtnie.

The morning's most fluent stroke play was by Patel with some quality cutting and driving. At Trent Bridge, Australia put Pakistan in after a delay of more than two hours.

At the Oval, London, the umpires decided no play was possible Wednesday in the match between West Indies and Sri Lanka.

At Old Trafford, umpires thought there might be a chance of play between England and Canada and decided to make a further inspection of the wicket later in the afternoon.



WORLD CUPPERS: The eight eleven to contest the Prudential World Cup Final in England this line up at Lords, London — England, Pakistan, India, Sri Lanka, West Indies, Canada, Australia, New Zealand.

Six times 1st estimate

Lake Placid bill now put at \$ 190m

LAKE PLACID, New York June 13 (AP) — The costs of staging the 1980 Winter Olympics here could top \$190 million, or six times an original estimate, according to figures compiled by the Associated Press.

Most of the bill is being footed by the state and federal government. But organizers of the 1980 Games say they hope to be able to raise some \$45 million from individual and corporate contributions.

The biggest cost increases have occurred in construction, where costs have zoomed from early

estimates of between \$10 and \$12 million to over \$100 million, virtually all from taxpayers.

Cost overruns and inflation account for some of the boost. But another factor was the large ambitions of Olympic organizers as planning for the games proceeded — and the unforeseen complexities of staging the Games.

Original plans, for example, called for a new 90-meter jump, and the renovation of an existing 70-meter jump. But eventually a whole new 70-meter jump was built. The combined cost for the two is now set at \$3.7 million.

When the Lake Placid Olympic Organizing Committee was awarded the Games in 1974, it projected construction costs of \$10-12 million. It has now spent \$70 million on construction.

State officials say they are spending about \$32 million on refrigerating the Mt. Van Hoevenberg bobsled run and upgrading the downhill ski trails at

Whiteface Mountain.

The organizing committee projects the total cost now at \$150 million but this apparently does not include \$40 million in expenditures for which it is not directly responsible.

Various federal agencies have spent \$11 million to match state construction efforts. Another \$10 million depends on a Congressional appropriation for the Department of Defense, to cover communications gear and crowd control.

And the state is spending millions of dollars on non-construction items to support the Olympics. It is paying the salaries and fringe benefit for dozens of state employees assigned to help run the Games.

All these appear to amount to about \$40 million extra but the figure may be even greater when costs for President Carter's opening-day visit and cleaning up after the Games are figured in.

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Mets break club record, Reds in 10-run 6th

Teams explode with 15 runs to near NL best

NEW YORK, June 13 (AP) — Frank Taveras' two-run double and Doug Flynn's inside-the-park, three-run homer keyed a club-record 10-run sixth inning that enabled the New York Mets to take a 12-6 victory over the Cincinnati Reds Tuesday night.

With Cincinnati five runs in the top of the frame, the total of 15 runs came within two of the modern National League record for runs scored in a single inning by two teams. The mark of 17 was set in 1912 by the old Boston Braves and New York Giants.

Before Tuesday night, the Mets had scored no more than eight runs in one inning. The Mets did it on several occasions, the last time against the Chicago Cubs in 1976.

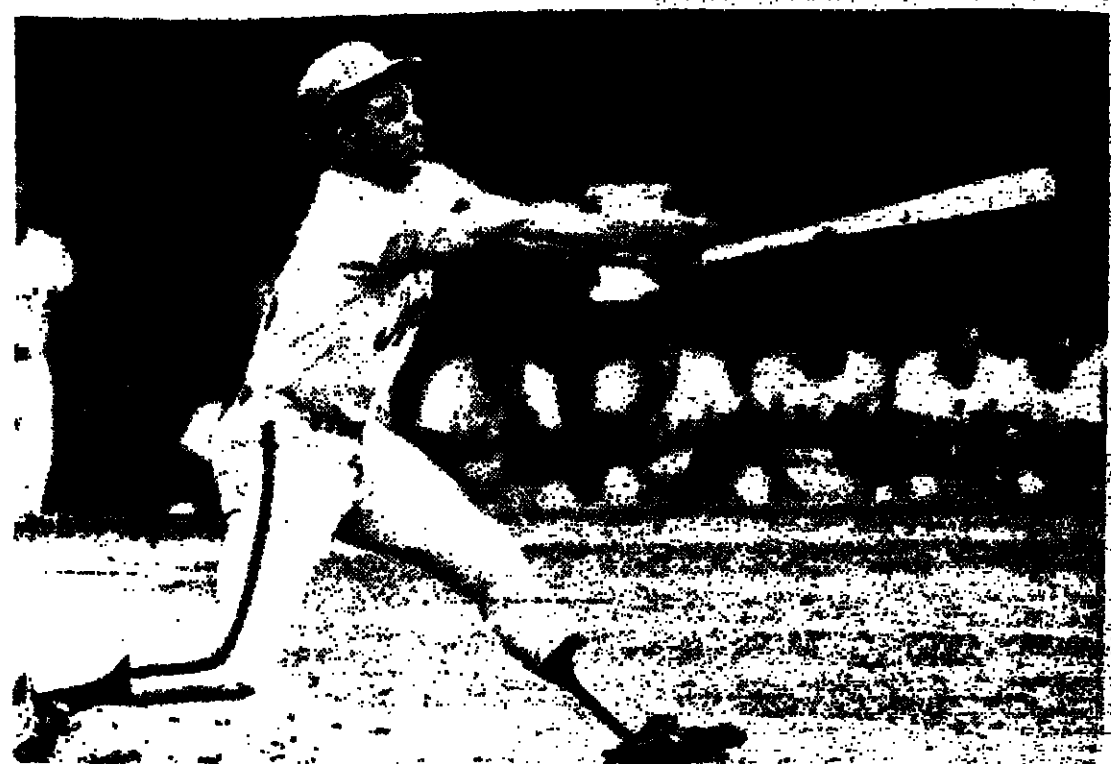
Taveras' double drove in the second and third runs of the Mets' big sixth, tying the game and wiping out a 5-2 Cincinnati lead.

Flynn's homer soared over the head of center fielder Cesar Geronimo, bouncing off the wall, scoring Willie Montanez and Steve Henderson ahead of him.

In other National League action, Mike Schmidt's two-run homer in the fifth inning, Philadelphia's first hit of the game, triggered the Phillies to a 4-0 victory over the Houston Astros behind the six-hit pitching of Nino Espinosa.

In the American League, Roy White and Mickey Rivers stroked run-scoring singles in a three-run ninth inning that gave the New York Yankees a 4-1 victory over the Minnesota Twins behind the four-hit pitching of Ron Guidry and Ron Davis.

Rusty Staub knocked in three runs with a homer and a double and rookie Pat Underwood won



SWINGS AGAIN: Baseball great Willie Mays donned uniform again last week and got two hits in five tries at the plate as a designated hitter for the Mets in an exhibition against Tidewater, the Mets' top farm club Thursday night.

for the second time in as many major league starts as the Detroit Tigers routed the Oakland A's 1-2.

The Seattle Mariners scored three runs in the first inning and coasted to a 5-1 victory over the Toronto Blue Jays behind Glenn Abbott's six-hit pitching.

Buddy Bell, who had driven in two earlier runs with a homer and single, drilled a tie-breaking bases-loaded single to cap a three-run ninth inning that rallied the Texas Rangers to a 7-6 victory over the Milwaukee Brewers.

Junior Moore and Chet Lemon hit two-run singles in a seven-run second inning to lead the Chicago White Sox to a 12-4 triumph that snapped the Baltimore Orioles' six-game winning streak.

Al Cowen's sacrifice fly scored George Brett in the 10th inning and lifted the Kansas City Royals over the Boston Red Sox, 7-6. A two-out, two-run homer by Toby Harrah in the bottom of the ninth inning tied the game and Andre Thornton's two-out single drove in Bobby Bonds, giving the Cleveland Indians an 11-10 victory over the California Angels.

In late NL action on the West Coast, Dave Winfield cracked his 15th homer, a three-run shot, and Gaylord Perry gained his 273rd career victory as the San Diego Padres defeated the Pittsburgh Pirates 6-3.

Pitcher Burt Hooton's two-out, two-run single highlighted a three-run rally by Los Angeles in the fourth inning and sent the Dodgers to a 9-3 victory over the St. Louis Cardinals.

Bill North and Mike Ivie hit home runs in the first inning and the San Francisco Giants added four more extra-base hits to beat the Chicago Cubs, 7-2.

LONDON, June 13 (AP) — John McEnroe played with his thigh strapped but still defeated Charlie Pasarell, 6-4, 6-4, Tuesday to begin his grass-court warm-up for next week's Wimbledon.

The first-round match in the \$125,000 Stella Artois tennis tournament at London's Queen's Club was the first for McEnroe in three weeks. He strained his groin the day after winning the World Championship Tennis title at Dallas.

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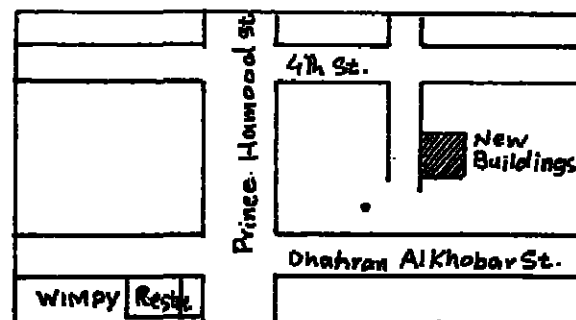
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EEC discusses 3rd World aid

LUXEMBOURG, June 13 (R) — Common Market foreign ministers on Tuesday discussed how they might adjust their aid offer to help revive stalled negotiations with seven developing countries. African, Caribbean and Pacific countries last month rejected an aid offer worth \$6.7 billion over five years for a new trade and aid pact with the EEC to succeed the Lome Convention next year. Douglas Hurd, British Foreign Office minister, told journalists that progress had been made, although ministers had not reached complete agreement. The ministers had examined the two parts of the offer, through direct aid and via the community's European Investment Bank, to see if there were detailed points which could help reach agreement.

arab news

Middle East Shipping Information

Compiled with the co-operation of Lloyds of London.

Freighter sinks off South Africa

PORT ELIZABETH, South Africa, June 13 (R) — Six seamen are feared dead after the crippled Greek freighter Evdolia smashed into rocks near here during violent storms Tuesday. A port official said that one crewman was knocked by helicopter from the rocks, but that there was no time to look for the other six. "She hit the rocks and broke in two," he said, "the two halves just broke up and sank. We got one man off the rocks by helicopter but there is not much hope for the others. We will start a search of the coastline for them again in the morning." One man was jammed in the wheelhouse when the vessel hit the rocks near Oubosstrand on the southern coast during a gale.

[illegible]

Key:

SD = Sailing Date	موعد الإبحار
AR = Arrived	الوصول
SAT = Sailed After Transit	إبحار بعد الوصول لثلاثية
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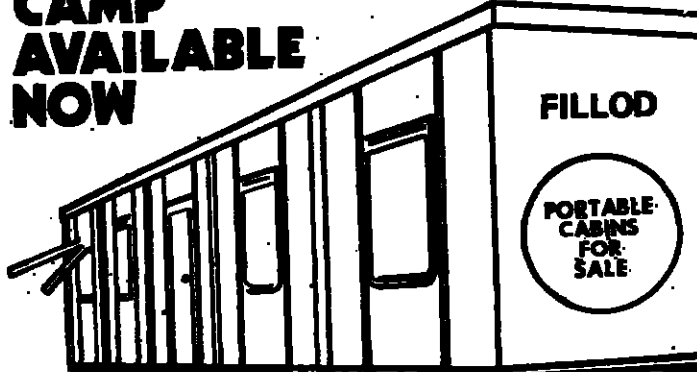
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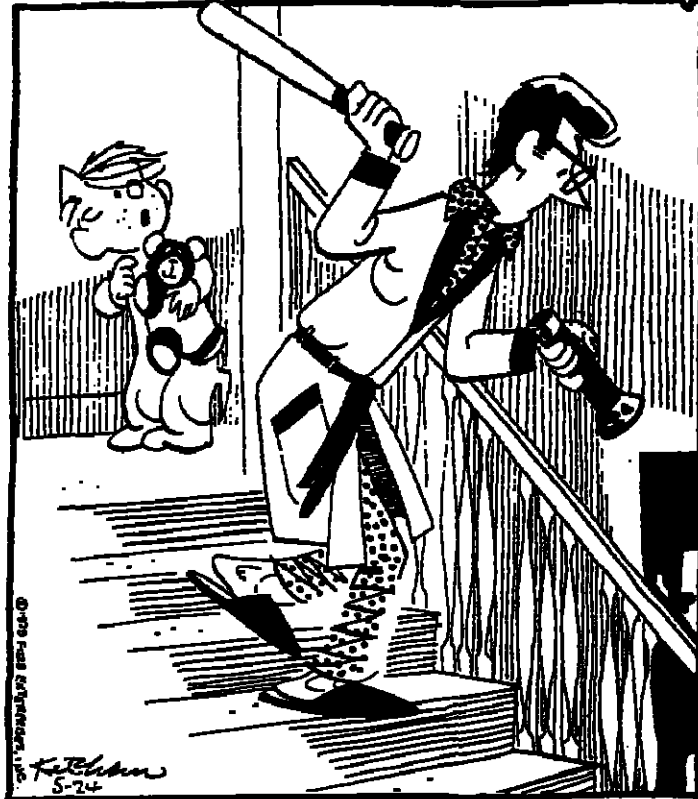
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Dennis the Menace



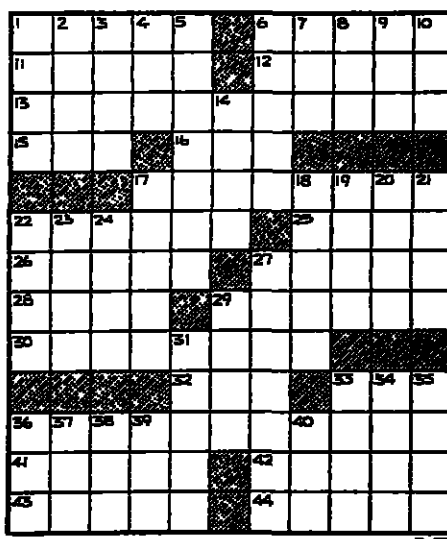
"Don't forget... if the burglar's right-handed, ya bat against him left-handed, an if he's left-handed ya bat against him right-handed."

CROSSWORD PUZZLE

Crossword
by THOMAS JOSEPH

ACROSS
1 Aspect
5 Prairie
11 Bellini's
12 Boxscore
13 Routine
15 Poetic
16 Shrew
17 Furnace
22 Island in N.Y.
25 Cape Alaska
26 "Salome" role
27 Greek physician
28 Turkish regiment
29 Wandering
30 Thanks-giving treat
32 Foreigner: comb. form
33 Extremely
36 Felled, as a tree
41 Eagle's nest
42 Like a cornstalk
43 Alloy
44 Swiss river
DOWN
1 Encounter
2 Asian river
3 Quote
4 Queen Sofia's predecessor
5 Ensnared
6 Bordeaux wine district
7 Hockey great
8 Prefix with cycle
9 Hockey's Blake
10 Shrew
14 "— What Comes Natur'ly"
17 Impassive
18 Finnish lake
19 Gancho's weapon
20 Closing word
21 Tattered
22 Spurious show
23 Low-caste Hindu
24 Islands off Galway
27 Molar
29 Musketeer's foil
31 Discharge
32 Corrida beast
34 Man's name
35 Wavy: her.
36 English river
37 Half a bray
38 Table scrap
39 News reporter
40 Lindstrom
41 Burmese knife

YESTERDAY'S ANSWER
CROSSWORD
ACROSS
1. Aspect
5. Prairie
11. Bellini's
12. Boxscore
13. Routine
15. Poetic
16. Shrew
17. Furnace
22. Island in N.Y.
25. Cape Alaska
26. "Salome" role
27. Greek physician
28. Turkish regiment
29. Wandering
30. Thanks-giving treat
32. Foreigner: comb. form
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32. Corrida beast
34. Man's name
35. Wavy: her.
36. English river
37. Half a bray
38. Table scrap
39. News reporter
40. Lindstrom
41. Burmese knife



DAILY CRYPTOQUOTE — Here's how to work it:
A X Y D L B A A X
I S L O N G F E L L O W

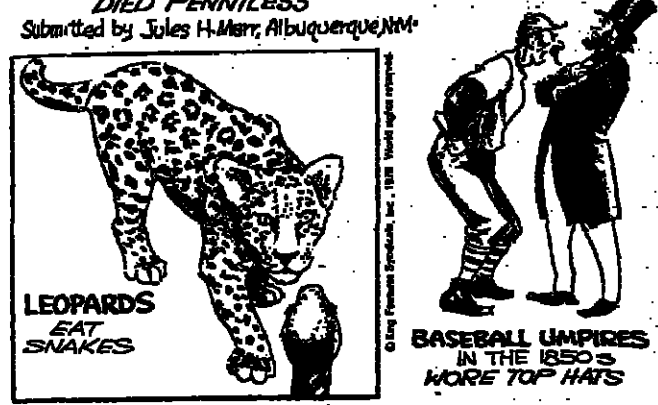
One letter simply stands for another. In this sample A is used for the three L's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.

CRYPTOQUOTES
F A F A T A P W T J E W G J H E A
F H E N W G T R A D D W F U A J, V J L
E W Q W H J H J S W U U G J H E O F H E N
E N A N G U V J T V S A. — S H S A T W

Believe It or Not!



HAYM SALOMON (1740-1785)
THE MERCHANT AND BANKER WHO ADVANCED \$666,000 TO HELP FINANCE THE AMERICAN REVOLUTION AND WAS CONDEMNED TO DEATH BY THE BRITISH AS A SPY.
DIED PENNILESS
Submitted by Jules H. Miller, Albuquerque, NM



Contract Bridge
B. Jay Becker

Famous Hand

North dealer.
Neither side vulnerable.
NORTH
♠ K 4
♥ 8 5 3 2
♦ Q 8 5
♣ A 7 3

WEST
♠ 10 8 6 3
♥ 7 6 4
♦ J 10 7 5
♣ 10 8 6 2

EAST
♠ 10 8 6 3
♥ 10 9
♦ K 9
♣ K 5 4

THE BIDDING:
North East South West
Pass Pass 2♣ Pass
2♣ Pass 4♣ Pass
4♣ Pass 5NT Pass
5NT Pass 6♣ Pass
Pass (1) Pass

Opening lead — ten of clubs.
This extraordinary deal occurred in the match between Argentina and Italy in 1981. It was played on Bridge-O-Rama before a huge and enthusiastic audience.

Santamarina and Attagulla were North-South for Argentina when the sequence shown took place. North's pass of six hearts, an obvious cuebid, was astounding, to say the least. Spades had previously been agreed upon as trumps, and South's diamond and heart bids merely showed first-round control of those suits.

When Italy later played the hand, they got to six spades and went down. The Argentine West led a club. Declarator took the ace, discarding a diamond, drew trumps, cashed the A-K-Q of hearts, then played the ace and a low diamond.

At this point, South could have made the slam by playing the diamond eight from dummy, but he did not know that East had the king and that it was now alone. He lost dummy's queen to the king and later lost another diamond trick to go down one. As a result, Argentina gained 1,600 points on the deal.

Tomorrow: Fluctuating defense.
FOR RELEASE FRIDAY, MARCH 23, 1979

Get your international financial news in Ashraf Al-Awsat

التقريب الأوسط

Ashraf Al-Awsat — the international newspaper of the Arabs published daily from London and distributed worldwide.

Available with your newsboy and at your nearest newsstand daily.

ARAB NEWS CALENDAR

Thursday	Fajr	Ishraq	Dhuhr	Assr	Maghreb	Isha
Mecca	4:16	5:44	12:28	3:46	7:06	8:36
Medina	4:03	5:30	12:28	3:48	7:12	8:42
Nejd	3:36	5:12	12:00	3:21	6:44	8:14

DHAHRAN TV

3:00 Childrens Show	Electric Co.: 448
3:44 P.B.A Bowling	Firestone Town of Champions
5:00 Superstars	1978 — Mens preblim I part I II
5:54 Bonanza	Catch as catch can
6:43 Get Smart	I'm Only Human
7:07 James at 15	Knocking Heads
8:05 Tales of the Unexpected	Force of Evil
9:39 Command Performance	Bloodsport

WEATHER

Forecast for the next 24 hours:
Chances of thundershowers still persist over the western and southwestern highlands. The weather will tend to be moderate over the northern and western regions, but humid over the coastal areas where surface winds will blow mostly northerly to northwesterly. The central and eastern regions will be hot during the day but moderate at night, with surface winds blowing easterly to northeasterly at light to moderate speed.
Sea conditions will be calm to moderate in the territorial waters.

Wednesday's temperatures (maximum, minimum in centigrade)

Mecca	42	30	Nejran	40	24
Jeddah	35	27	Hail	36	26
Riyadh	46	29	Tabuk	35	20
Dhahran	43	28	Rafha	40	26
Medina	44	32	Yanbu	29	17
Taif	37	23	Abha	29	17

SAUDI RADIO

(English Service)
On FM at 98 Megahertz in 3.2 meter band
On SW at 11.855 MHz in 25 meter band

Afternoon Transmission	10:01 The Holy Quran
2:00 Opening	10:05 Message to the Faithful
2:01 The Holy Quran	10:10 Light Musci
2:05 Gems of Guidance	10:15 NEWS
2:10 Saudi Literature & Arts	10:25 S.A. — A Daily Chronicle
2:20 On Islam	1:30 Sound Sweet and Strange
2:30 People Talking	11:00 Youth Welfare
3:00 NEWS	11:10 Musci
3:10 Press Review	11:15 The Evening Show
3:15 Musci	11:45 Touring Saudi Arabia
3:20 Science Journal	12:00 Imp., Com. and Recollections
3:30 Leaps & Bounds	12:10 MUSIC
3:40 MUSIC	12:15 Latin musci
3:50 Close Down	12:45 A Rendez-vous with Dreams
Evening Transmission	01:00 Close Down
10:00 Opening	

VOA

P.M.	10:05 Opening: Analyses
8:00 News Roundup:	10:30 VOC Magazine: America; Science; Cultural; Letter
Reports: Actualities; Opinion; Analyses	11:00 Special English: News
8:30 Dateline	11:30 Music USA: (Jazz)
News Summary	
9:00 Special English: News; Feature. The Making of a Nation	
News Summary	
9:30 Music USA: (Standards)	
10:00 News Roundup: Reports: Actualities	
	VOA WORLD REPORT
	Midnight
	12:00 News newsmakers' voices correspondents reports background features media comments news analyses.

BBC

Morning Transmission	4.30 The Pleasure's Yours
8.00 World News	5.15 Report on Religion
8.09 * Twenty-Four Hours	6.00 Radio Newsreel
News Summary	6.15 * Outlook
8.30 * Sarah Ward	7.00 World News
8.45 World Today	7.09 Commentary
9.00 Newsdesk	7.15 * Sherlock Holmes
9.30 * Opera Star	7.45 World Today
10.00 World News	8.00 World News
10.09 Twenty-Four Hours	8.09 * Books and Writers
News Summary	8.30 * Take One
10.30 * Sarah Ward	8.45 Sports Round-up
10.45 * Something to Show You	9.00 World News
11.00 World News	9.09 News about Britain
11.09 Reflections	9.15 Radio Newsreel
11.15 Piano Style	9.30 Farming World
11.30 Brain of Britain 1978	10.00 Outlook News
12.00 World News	Summary
12.09 British Press Review	10.39 Stock Market Report
12.15 World Today	10.43 Look Ahead
12.30 Financial News	10.45 Ulster in Forces
12.40 Look Ahead	11.00 World News
12.45 The Tony Myatt Request Show	11.09 Twenty-Four Hours: News Summary
Evening Transmission	11.30 The Pleasure's Yours
1.15 Ulster in Focus	Midnight Transmission
1.30 Discovery	12.15 Takeabout
2.00 World News	12.45 Nature
2.09 News about Britain	Notebook
2.15 Alphabet of Musical Curios	1.00 World News
2.30 Sports International	1.09 World Today
2.40 Radio Newsreel	1.25 Financial News
3.15 Promenade Concert	1.35 BBOOK Choice
3.45 Sports Round-up	1.40 Reflections
4.00 World News	1.45 Sports Round-up
4.09 Twenty-Four Hours: News Summary	2.00 World News
	2.09 Commentary
	2.15 The Face of England

Your Individual Horoscope

FRANCES DRAKE
FOR THURSDAY, JUNE 14, 1979

What kind of day will tomorrow be? To find out what the stars say, read the forecast given for your birth Sign.

ARIES (Mar. 21 to Apr. 19) ♈
Pay attention to the needs of friends, but avoid lending money. A busy round of social activity has both ups and downs.

Taurus (Apr. 20 to May 20) ♉
Plenty of action on the career front requires level-headed thinking. Watch impulses and too much ego. Listen to opinions of others.

GEMINI (May 21 to June 20) ♊
Your mind is definitely in other places. Don't let distant affairs keep you from doing a good job at work. Watch judgment re finances.

CANCER (June 21 to July 22) ♋
Keep priorities in mind before spending. Your best bet is to minimize extravagance and concentrate on worthwhile expenditures.

LEO (July 23 to Aug. 22) ♌
Erratic behavior on the part of a close one keeps you in turmoil. Despite their inconsistencies, you're very much involved.

VIRGO (Aug. 23 to Sept. 22) ♍
You'll accomplish much at work if you stay clear of gossip. Just tend to your own business. Don't let a friend talk your ear off.

LIBRA (Sept. 23 to Oct. 22) ♎
Leisure activity could prove costly. Set a limit re spending. Romance and social life could cause you to be careless with money.

SCORPIO (Oct. 23 to Nov. 21) ♏
Domestic decisions may spark disagreements. Pay attention to the opinions of other family members. Don't let arguments occur.

SAGITTARIUS (Nov. 22 to Dec. 21) ♐
A busy day on the phone and writing letters. You're talkative, but avoid a verbal war with a co-worker and differences about finances.

CAPRICORN (Dec. 22 to Jan. 19) ♑
Though career ventures can produce added income, difficulties are likely to ensue with friends over money. Try to maintain harmony.

AQUARIUS (Jan. 20 to Feb. 18) ♒
Co-workers, higher-ups and possibly family members could take offense to your manner, yet the same demeanor works wonders with a love interest.

PISCES (Feb. 19 to Mar. 20) ♓
A day you'd prefer to spend by yourself, but constant interruptions are liable to interfere with the work you planned to accomplish.

International Finance

International Bourse, Commodities, Money and Exchange Rates

arab news

International Finance

International Bourse, Commodities, Money and Exchange Rates

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 Jeddah: Ministry of Foreign Affairs Circle. Tel: 4000

WORLD STOCK MARKETS

[illegible][illegible][illegible][illegible]

439	489				
31%	31%	22	13 1/2		
68 1/2	59%				
47%	49%				
516	516				
516 7/16	516 1/4				
34%	34%				
13%	13 1/2				
36%	36%				
11 1/2	11				

Closing		Closing	
June 11	June 12	June 8	June 9
Price 104.			
52.78	48.48		
438.00	437.00		
201.90	203.80		
134.50	136.00		
135.00	135.00		
127.00	249.50		
263.00	265.00		
188.00	188.00		
54.00	54.00		
233.00	231.00		
334.00	277.50		
147.50	147.50		
240.00	244.00		
208.50	211.00		
144.00	144.00		
191.00	191.50		
55.00	56.00		
144.00	144.00		
128.00	126.00		
41.00	42.00		
124.00	124.00		
138.50	134.00		
200.00	205.50		
32.00	32.00		
66.00	68.00		
773.50	775.50		
88.50	88.50		
228.00	229.00		
1,418	1,420		
79.50	79.50		
165.50	166.00		
147.30	149.00		
350.00	329.00		
540	540		
156.00	156.50		
798.20	782.50		
168.00	168.00		
237.00	236.00		

Closing		Closing	
June 11	June 12	June 8	June 9
Price 104.			
52.78	48.48		
438.00	437.00		
201.90	203.80		
134.50	136.00		
135.00	135.00		
127.00	249.50		
263.00	265.00		
188.00	188.00		
54.00	54.00		
233.00	231.00		
334.00	277.50		
147.50	147.50		
240.00	244.00		
208.50	211.00		
144.00	144.00		
191.00	191.50		
55.00	56.00		
144.00	144.00		
128.00	126.00		
41.00	42.00		

Bergen Bank	101.50	101.50
Borrevgaard	78.00	78.00
Crescent	114.50	114.50
Kummo	480.00	478.00
Kreditkassen	114.00	114.00
Union Vindtryk & S	525.00	525.00
Storebrand	113.00	114.50

Closing		Closing	
June 11	June 12	June 8	June 9
Price 104.			
52.78	48.48		
438.00	437.00		
201.90	203.80		
134.50	136.00		
135.00	135.00		
127.00	249.50		
263.00	265.00		
188.00	188.00		
54.00	54.00		
233.00	231.00		
334.00	277.50		
147.50	147.50		
240.00	244.00		
208.50	211.00		
144.00	144.00		
191.00	191.50		
55.00	56.00		
144.00	144.00		
128.00	126.00		
41.00	42.00		

Forward Market	
ATCC	236
Barclays	434
Assicuratie	642
Brussels	638
Crut-Lambert	1760
Can Pac	842
Cockerill	844
De Beers	266
Estrabed	6900
CB-Jane-Mor	2678
Gewatt	1300
Robelen	3185
Petrofin	3615
Royal Dutch	2180
Satid	1854
Stam	2149
Sofina	3595
Sovay 'A'	2580
Tanganyika Cons.	129
Union Vindtryk	378
Valite Monnaie	1735

Cash Market	
Assurances Gen	8020
Ford Motor	7200
Soc. Gen. Banque	3225

AMSTERDAM	
AMSTERDAM	

[illegible]

640.00	643.90	Privatbank	135%	136
295.00	291.50	Proviandbank	139	139
146.50	147.25	Soep. Receptbank	139	147
33.40	33.30	Superië	156	156
<hr/>				
122.90	122.90			
1018	1018			
958	958			
234.50	234.90			
395.00	393.00			
357.00	370.00			
271.00	383.90			
478.00	478.90			
<hr/>				
UNQ	306			
UNQ	UNQ			
UNQ	UNQ			
<hr/>				
Closing June 1	Closing June 1			
1915 Swis	1915 Swis			
1290	1215			
108500	170000			
1240	1240			
1085	1010			
981	690			
981	981			
1960	1875			
715	715			
1040 Swis	1140			
7475	7600			
4275	4300			
7520	1430			
3385	3410			
2280	2290			
2530	2590			
278	280			
4300	4400			
325	337			
320	320			
345	345			
381	388			
381	390			
5150	5150			
3675	3110			
1875	1280			
<hr/>				
AGA AB (Kr. 60)				
Alta Laval (Kr.50)	12600			
ASSEA (Kr. 50)	65.50			
Atlas Copac Kr.25	72.80			
Bilfinger	59.00			
Bofors	112			
Carde	148			
Celabusa	12300			
Elect. Tec. "B" (Kr.60)	18200			
Electra "B" (Kr.50)	23700			
Enges (Free)	129			
Faguna	114			
Grafen (Free)	47.50			
Höndeshusken	330			
Marabon	165			
Mc Osh Donnell	70.00			
Sandvik "B" Kr 100	22500			
SKF "B" Kr 100	55000			
Stam. Emdikid	122			
Tandberg "B" Kr.50	61.50			
Uddeholm	61.50			
Valve (Kr. 50)	70.000			
<hr/>				
Closing June 1				
Price Paid				
Adams	197			
Banco Bilbao	194			
Banco Aduana (1,000)	309			
Banco Central	262			
Banco Com.	262			
Banco General	262			
Banco Grueiros (1,000)	134			
Banco Hibern.	264			
Banco Ind. Ctr. (1,000)	143			
B. Ind. Mediterraneo	143			

Closing June 12	Closing June 11		
		Price List	
33.80	31.25	Banco Santander (250)	310
42.90	42.10	Banco Urquijo (1,000)	244
779	767	Banco Vialmont	237
4982	4872	Banco Zargamano	235
2729	2622	Bankindian
158.00	157.00	Banco Andes
274	265	Barclay & Wilcox
85	85.00	CIC
788.00	782.00	Drugs	147
399.00	399.00	E. L. Argenteaux	90
1720	1709	Esparanza Zinc	90
268.00	268.75	E. L. Argenteaux	90
536.00	530.00	Ferns (1,000)	55.50
30.75	30.50	Ferns (1,000)	55.50
2198	21630	Gal. Potosi	65
2078	2085	Grupo Valparaiso (400)	64.35
185	191.75	Hidroala	64.35
1097.00	1129	Hidroala	64.35
1165	1159	Impanhuasi
1049	1065	Olavara
1629	1629	Papapalusa
795.00	786	Petroleros	93
116.40	111.75	Petroleros	159.35
6.48	6.25	Sarrío Papalusa	45
1.91	1.82	Solera	129
1514.00	1520.00	Sopfin	75.00
		Telefónica	73.00
		Torrus Huanuco	73.00
		Union Elec.	63

	Closing June 11	Closing June 12
Price Sols.		
Crestmontall	333	336
Perfectionist	226	226
Salscha	563	563
Sampson	88	79
St. Louis	2487	2477
Volt Magazine	265d	265d

	Closing June 11	Closing June 12
Price Yrs		
Abel Trading	378	358
Amal Elec.-Chem.	166	159
Amal Glass	336	338
Bank of Tokyo	289	289
Barry Bros	685	626
Bridgman's Tire	583	582
Canon	518	505
Citibank	449	643
Clamba Power	845	940
Citizens Watch	435	433
Citibank	335	335
Dai Nippon Printing ..	589	546
Dai Nippon Tokyo	173	172
Eastman	883	879
Fuji Bank	338	338
Fuji Photo Film	580	683
Kan Seiyun	129	139
Paytel	396	392
Hiroshi	248	236
Hitachi	91	93
HSI	121	115
Ishii	403	396
Iseda	2919	2909
Kajima	292	299
Kansai Power	1020	1020
Kan Seiyun	588	590
Kawamura Steel	145	135
Kirin Brewery	423	431
Kobun	337	331
Kobun	377	288
Maruyama Ind.	694	682
Mitsubishi Works	538	538
Mitsubishi	336	336
Mitsubishi Chemical ..	178	175
Mitsubishi Electric ..	188	178
Nippon	377	377

Mitsubishi Heavy	150	142
Mitsubishi Corp.	470	455
Mitsui Co.	322	311
Mitsui Estate	685	591
Mitsui Smelting	134	125
Mitsui Sumitomo	689	678
Mitsui Trust	565	576
Nacras	192	199
Nippon Electric	128	314
Nippon Eng'g	UNQ	UNQ
Nippon Light Metal	189	172
Nippon Matsu	766	751
Nippon Oil	150	149
Nippon Seawater	241	143
Nippon Steel Chas.	212	229
Nippon Steel	136	123
Nippon Yusen	373	360
Nippon Yuzen	339	318
Nissan Motor	695	680
Nissan Securities	661	651
Olympus	685	711
Riken	635	647
Saijo	439	418
Shimoda	1650	1830
Sony	1970	2040
Sunbeam Bank	337	338
Sunbeam Cement	169	157
Sunbeam Chem.	125	123
Sunbeam Marine	253	252
Sunbeam Paper	125	125
Taisei	128	120
Taiho	247	243
Taiho	143	149
Taiyo Kaikan	314	309
Taiyo Gas	125	119
Taiyo Ind.	523	509
Taiyo Power	997	910
Toppan	499	490
Toshiba	165	157
Tosyo Ind.	143	143
Toyo Kasei	385	518
Toyo Soda	889	839
Topyne	265	251
Yamada	283	286
Yamatichi	283	281

	Closing June 12	Closing June 11
Price Singapore S		
Industrials:		
Boustand Holdings	342	348
Boustand Co.	UNQ	UNQ
Cable & Radi	229	228d
Cycle & Carriage	425	466
Euro Ordn.	292	290
Gold & Silver	320	320
Gullman	545/555	540
Harper Crithon	310/350	310/350

Inchcape	182	182
Malayan Breweries	586 ¹ / ₂	585
Malayan Tobacco	414	414
Nanyang	525	525
N.B. Timbers	215	228
Paper Products	148 ¹ / ₂	148
Raffles	436	436
Sun Darby Ridge	352	354
Straits Steamship	245	244
Straits Trading Co.	685	685
Swans Trading Co.	715	720
Times Publishing	318	316 ¹ / ₂ 0 ¹ / ₂
United Telephone	154 ¹ / ₂	154 ¹ / ₂
William Jackson Co.	155	155
FINANCIAL		
Dominion	505	515
Hong Leong	UNQ	332
Malayan Banking	686 ¹ / ₂ 0 ¹ / ₂	685
Oversea-Chinese	715	715
Oversea	348	352
HOTEL		
Faber Hotel	104 ¹ / ₂	104 ¹ / ₂
Grand Central Park	470	470 ¹ / ₂ 10
PROPERTIES		
Central Properties	174	174
City Developments	126	129
United Real Estate Land	126	135
Island Pine, Dev	396	396
Singapore Land	196	186
PALM OILS		
United Plantations	362 ¹ / ₂	362 ¹ / ₂
MILKED		
Bergfield Tea	835	830
Kompang Lembeh	UNQ	639
Petaling	42	42
Selangor Drilling	UNQ	438
RUBBERS		
Batu Lintang Rubber	284	285
Devi Rubber	414	420
Kempas (Malaya)	545	535
K.L. Koppun	328	332
Kempas (Sumatra)	289	111
Highlands & Lowlands	432	438
Consol. Plantations	239	244

	June 11	Sterling	U.S. Dollar	C
Short term	11%—12	10%—10 1/2		
7 days notice	11%—12 1/2	10 1/2—11 1/2		
Months	11%—11 1/2	10 1/2—11 1/2		
Three months	11%—12	10 1/2—11 1/2		
Six months	12 1/2—12 7/16	11—11 1/2		
One year	11%—12	10%—10 1/2		

The following nominal rates were quoted for LC
 10.25-10.35 per cent; one year 9.95-10.05 per cent
 1-year three Eurodollar deposits three 9.15
 closing rates. Short-term rates are call for sterling
 Singapore.

LONDON		Hong Kong		5.0945
		Parang		49.8500
June 12	Range	June 12 Opening Prices		
U.S.A.	2.0770-2.0781	STG	2.0740-2.0750	
W. Germany	2.4370-2.4380	BERG CON	37.85-37.89	
France	9.1950-9.2050	FFR	37.85-37.89	
Belgium	63.80-63.90	FFR	4.0350-4.0365	
Italy	177.15-177.75	L. AN	85.2-85.75	
Holland	4.3590-4.3600	DFL	2.9900-2.9990	
Spain	1.0200-1.0210	SPR	1.7360-1.7370	
W. Germany	3.9700-3.9800	YEN	1.9145-1.9155	
Sweden	9.1075-9.1175	DKR	120.38-120.39	
Denmark	16.700-16.800	AUS. SCB	14.10-14.13	
Portugal	11.4225-11.4625	NGN	5.5250-5.5275	
Spain	39.57-39.75	NGN	5.5250-5.5275	
Spain	137.10-137.30	PKR	49.35-49.39	
Ireland	464.300-464.500	BFR FIN	31.92-31.95	
N.Y.	1.0500-1.0515	SPAIN	64.14-64.16	
		MEXICO	22.0-22.04	
N.Y. DOLLAR SPOT RATES				
June 12		Spain one month 27-32 cts, two months 35-45 cts, three months 47-57 cts, six months 157-147 cts, twelve months 118-108 cts		
U.S.A.	2.8157	Can. one month 7-5 cts, two months 12-10 cts, three months 18-16 cts, six months 28-26 cts, twelve months 33-31 cts		
W. Germany	1.9145			
Switzerland	1.7385			
Holland	2.1800			
France	9.1950			
Belgium	30.7940			
Italy	850.400			
Japan	228.075			
Denmark	5.5150			
Norway	5.5980			
Sweden	4.3940			
Portugal	11.4575			
Spain	64.135			
Austria	14.1250			
Ireland	464.300			
		LONDON GOLD		
		June 11		
		3.00 p.m. fix		
		Morning fix		
		Yesterday's fix		
		3277.75		
		3282.35		
		3282.35		

DOW JONES & FT STOCK AVERAGES				
June 12				
DOW JONES				
10.30 a.m. STOCK AVERAGES				
30 Industrials	249.5	UP 3.38	or 0.40%	
20 Transport	246.31	UP 1.82	or 0.43%	
5 Utilities	48.13	UP 0.14	or 0.12%	
5 Stocks	283.0	UP 1.54	or 0.53%	

New York: Bond Markets: A Special Report
By Paul Hawkins

New York. (AP)—It seems a reasonably safe bet that 1979 will be marked by a revolution. Evidence is that a slump is imminent, or even under way, keeping plenty up. In April, the widely followed Standard & Poor's 500-stock index fell to its steepest monthly drop on record. In May, sales of new U.S.-made automobiles declined 17% from the year earlier level. Many economists expect a relatively mild outlook. But some anticipate a severe downturn.

This diversity of views partly reflects the fact that the economy is still in a state of flux. It is not clear that companies a future downturn, are unlikely in passing a recession's eventual severity. The Leading Indicator Index fell for the second time in three months preceding the relatively mild recessions of 1960-61 and 1969-70, then hit the painful 1973-75 slump, widely regarded as the most severe downturn since 1930.

Forecasters who expect only a mild recession tend to stress, among other things, the matter of timing. The downturn seems to be developing much sooner than many analysts had anticipated several years ago. The recession is seen as a result of economic exuberance, which can aggravate any recession, haven't had time to build to dangerous levels. The downturn is seen as a case in point. There isn't any question that widespread panic of executive investment acted to deepen the 1973-75 recession. Before that recession developed, and even after it was over, many companies had taken on shortages scrambled to build up their stocks. As the slump progressed, and customer demand dropped, additional inventory problems were needed to bring inventories into closer line with reduced sales.

Inventory building around the onset of a recession isn't unusual. Corporate buying agents often operate on a "just in case" basis. They are concerned about economic activity at such points in the business

CALENDAR OF SCHEDULED BOND OFFERINGS

Lenders (A-Z): The following is the calendar of scheduled bond offerings, with tentative terms, syndicate manager and offering date where available.

EURODOLLARS

Orient Leasing (Circulair) NV. Guaranteed by Orient Leasing Co. and Savva Bank, 25 million dollars, due 1986, 9.5% Dutch Europe NV.

AA Gold and Western Industrialized Industries NV. guaranteed by Gold and Western Industries Inc., \$5 million dollars, due 1984, 9.75%, Kidder Peabody International, 28 June.

AA Bosché Finance NV. guaranteed by Bosché AG, 125 million dollars, due 1989, 6.75% with a detachable warrant to purchase Bosché shares, par, Deutsche Bank, 19 June.

AA National Westminster Bank, 100 million dollars, due April 1994, interest for three months at 100% of the average of the bid and offer of monthly Eurodollars, thereafter, semi-annual interest at 0.25 above average of 3-month Eurodollar bid and offer, first call at par in April 1983, par, minimum interest 5.50% Société Générale.

AA Société Générale Allocations De Banque, 20 million dollars, due 1989 and extendable at holders option, to 1991, semi-annual interest at 0.25 above average of six-month Eurodollar bid and offer, par minimum interest 5.75% Société Générale.

cycle than with indicators that warn of an approaching recession.

However, inventory building of late has been far less frenzied than when the 1972-73 slump was developing. In recent months, the National Association of Purchasing Management in New York, last month, saw many survey firms that only 16% of corporate buyers were ordering materials as far as six months ahead.

FINANCIAL TIMES STOCK INDICES

	June	July	Aug	Year
Gov't Secs.	72.85	72.60	76.26	
Fixed Interest ..	74.46	75.80	71.70	
Indust. Ord. 7-yr ..	593.9	583.1	666.9	
Gold Mktm.	284.8	281.8	157.9	
Gold M ² W (G-Span)	169.5	164.7	308.9	
Ord. Div. Yield ..	5.84	5.84	5.66	
F/F's % (Full) ...	19.39	19.39	16.51	
P/E Ratio (ind)(B)	8.32	8.32	8.10	
Total bargains ..	17,722	16,463		
Basis 1000 ..	16,487	87.29		
Eq'y by % transp ..	14,363	19,297		
10 am. 502.1	11 am. 501.8	Nov 502.0		
12 am. 502.9	2 p.m. 502.9	3 p.m. 503.0		
Latest Ind. 246 502.0	8 p.m. = 8.01			
1000 COTC	1587.64			
Fixed Inv. 1928	Ind. Ord. 17/35.			
Gold Index 21/252.	SE Activity 1983			
4000 = 1000000	Ind. Ord. 1972.			

June 12 Lunchtime Prices			SOYABEAN MEAL		Today's Closing	Today's Change
COCOA					£ per tonne	
	Today's Closing	Previous Closing				
	£ per tonne		June	128.00	126.50	
July	1690	1688	August	131.00	130.00	
September	1719	1718	October	133.50	133.00	
December	1776	1775	December	134.50	133.00	
March	1788	1786	February	135.60	134.00	
May	1896	1884	April	137.00	134.50	
July	1823	1817	June	138.00	134.50	
September	1860	1848				
ROBUSTA COFFEE						
	£ per tonne					
July	1875	1865	June 12 Official Close			
September	1865	1863			Today's Closing	Previous Closing
November	1872	1869			£ per tonne	
January	1875	1870	ALUMINUM			
March	1865	1855			Today's Closing	Previous Closing
May	1845	1840			£ per tonne	
July	1845	1828				
			Cash	785.00	785.00	
			Three months	779.50	778.00	
			Settlement	785.00	—	
GRAINS			COPPER			
	Wheat Yesterday's Closing	Barley Yesterday's Closing			£ per tonne	
	£ per long ton					
September	52.75	56.90	Whithorn	801.50	802.00	
			Cash	801.50	802.00	
			Three months	801.50	802.00	

November	99.50	Settlement	852.80	
January	97.80	Cash	861.00	862.00
March	103.60	Three months	886.00	885.00
May	106.40	Settlement	862.00	
RUBBER				
	Punch per Kilo			
July	67.10	Cash	664.50	665.50
August	67.75	Three months	619.00	620.00
July-September	67.60	Settlement	665.50	
Oct.-December	69.65			
January-March	71.76			
April-June	73.70			
July-September	75.76			
Oct.-December	77.60			
January-March	79.65			
LEAD				
			£ per tonne	
July	67.10	Cash	664.50	665.50
August	67.75	Three months	619.00	620.00
July-September	67.60	Settlement	665.50	
Oct.-December	69.65			
January-March	71.76			
April-June	73.70			
July-September	75.76			
Oct.-December	77.60			
January-March	79.65			
NICKEL				
			£ per tonne	
July	67.10	Three months	3130	3135
August	67.75			
July-September	67.60			
Oct.-December	69.65			
January-March	71.76			
April-June	73.70			
July-September	75.76			
Oct.-December	77.60			
January-March	79.65			
SILVER				
			Per Troy ounce	
July	67.10	Cash	406.40	406.50
August	67.75	Three months	417.60	417.70
July-September	67.60	Settlement	406.40	
Oct.-December	69.65			
January-March	71.76			
April-June	73.70			
July-September	75.76			
Oct.-December	77.60			
January-March	79.65			
RAW SUGAR				
	Sugar Prof.			
	Comm. Conn.			
	£ per long ton			
July	108.90	108.85		
August	113.50	113.45		
October	117.40	117.35		
December	117.40	117.35		
March	126.40	126.40		
May	126.40	126.15		
August	128.90	128.40		
October	132.50	131.50		
TIN				
			£ per tonne	
July	67.10	Standard	7430	7440
August	67.75	Three months	7131	7140
July-September	67.60	Settlement	7440	
Oct.-December	69.65			
January-March	71.76			
April-June	73.70			
July-September	75.76			
Oct.-December	77.60			
January-March	79.65			
High Grade				

WHITE SUGAR			Cane		Cane	
	July	8 per long ton	Third month	Fourth month	July	July
September	107 7/8	107.25	7438	7440	7140	7140
November	113.00	112.70	7442	7444	7142	7144
December	116.00	115.50	7444	7446	7144	7146
February	122 1/2	122.58				
April	125.75	125.25				
July	129.75	129.25				
September	133.50	127.80				

ZINC			Cane		Cane	
	July	8 per long ton	Third month	Fourth month	July	July
September	364 1/2	365.50	364 1/2	365.50	364 1/2	365.50
November	375.50	376.00				
December	365.50					

INTEREST RATES								
	London	Dutch	Swiss	W. German	French	Italian	Asian	Japanese
	Guilder	Guilder	Franc	Mark	Franc	Lira	Dollar	Yen
10-10 1/2	7 1/8	1 1/4	1 1/4	5 1/2	8 1/2	9-10	—	3 1/2
10-11	7 1/4	1 1/4	1 1/4	5 1/16 to 9 1/16	8 1/2	10-11	10 5/16 to 7 1/16	3 1/16 to 3 1/2
10-11 1/2	8 1/16 to 8 1/16	1 1/2	1 1/2	5 1/16 to 9 1/16	8 1/2	10-11 1/2	10 1/2 to 11 1/2	3 1/16 to 3 1/2
10-11 1/4	8 1/16 to 11 1/16	2-3/4	2-3/4	5 1/16 to 9 1/16	8 1/2	10-11 1/4	10 1/2 to 11 1/2	3 1/16 to 3 1/2
10-11 1/8	9-9/16	2 1/16 to 2 1/16	2 1/16	5 1/16 to 9 1/16	8 1/2	10-11 1/8	10 1/2 to 11 1/2	3 1/16 to 3 1/2
10-11 1/16	9-9/16	2 1/16 to 2 1/16	2 1/16	5 1/16 to 9 1/16	8 1/2	10-11 1/16	10 1/2 to 11 1/2	3 1/16 to 3 1/2

10-11 1/16 per cent bank certificates of deposit One month 10.25-10.35 per cent; three months 10.25-10.35 per cent; six months 10.25-10.35 per cent; one year 10.25-10.35 per cent; two years 10.25-10.35 per cent; three years 10.25-10.35 per cent; four years 10.25-10.35 per cent; five years 9 1/2-9 3/4 per cent; six years 9 1/2-9 3/4 per cent; seven years 9 1/2-9 3/4 per cent; eight years 9 1/2-9 3/4 per cent; nine years 9 1/2-9 3/4 per cent; ten years 9 1/2-9 3/4 per cent.

U.S. dollars and Canadian dollars: two days' notice for gold and Swiss francs. Asian rates are changing rates.

Seem preparing final assault

Sandinistas control Managua slums



(AP photo)
NICARAGUA: National Guardsmen watch a street in Masaya, which they claim to have recaptured from Sandinista guerrillas. But it seemed Wednesday that the guerrillas were preparing a final assault on Somoza's stronghold in the capital.

MANAGUA, June 13 (AP) — Sandinista guerrillas held control of slum districts in Managua Wednesday, firing at President Anastasio Somoza's National Guardsmen from behind barricades despite rocket and strafing attacks by government planes.

Somoza reported heavy fighting also in the northern cities of Matagalpa and Leon, but a photographer who arrived from Leon said the city was almost completely under guerrilla control and fighting had subsided.

The Sandinistas were also reported holding Esteli, another northern city.

An all-out guerrilla thrust aimed at forcing Somoza to resign seemed imminent as large concentrations of government troops were drafted to the area.

In Mexico City, the Sandinista National Liberation Front Tuesday called on all its fighters in Nicaragua to "march on Managua for the final offensive."

Tension ran high as National Guardsmen, buttressed by a convoy of 30 truckloads of soldiers returning from the southern border area near Costa Rica, prepared to face a guerrilla assault.

The troops came from southern Nicaragua, where the government claims to have broken a guerrilla drive.

Widespread looting was reported in Managua Tuesday afternoon as residents of the capital, almost completely shut down by a general strike then by heavy fighting that broke out Saturday, took advantage of the confused situation to obtain food.

Hundreds of people chanting "hambre, hambre" (hunger, hunger) broke into a supermarket in the Plaza Espana, a shopping center less than a mile from Somoza's Bunker headquarters downtown.

They carried off food, clothing, shoes, household goods, and anything else they could lift as two jeeps of National Guardsmen watched. The supermarket belonged to a businessman opposed to Somoza.

An Israeli-made Arava two-engine turboprop could be seen in the sky strafing and bombing the poor barrios of the southeast Managua.

The barrios have been held by Sandinistas and their supporters since last Saturday, when bar-

ricades went up throughout the poor sections and young men brought out hidden guns to oppose the National Guard.

Journalists who entered Barrio Centro America in the south center on Tuesday found it completely barricaded and controlled by Sandinistas.

Planes bombed the barrios of Nicaragua and 14 de Septiembre, the scenes of heavy fighting since the weekend.

Somoza said in a radio interview that Guard forces Tuesday had just recaptured the Eastern Hospital, which sits roughly in the middle of the two slums.

The rebels were said to have taken the hospital on Sunday and held it for three days.

Somoza said that heavy fighting with rebels continues in Leon, 88 kilometers northwest, and Matagalpa, 128 kilometers to the north.

But reliable reports said Leon had been quiet for the past two days and was completely under the control of the Sandinistas.

The rebels control all but the Guard command post downtown and the cathedral, where guard snipers make it necessary to move about carefully.

Leon has been without water or light since the weekend and food stocks are running out, but morale remains high.

The fighting in Managua raged on all sides of the city Tuesday and could be seen from the Intercontinental Hotel next to the Bunker. Heavy gunfire broke out within six blocks.

Hundreds of guerrillas have been seen in the slums, apparently saving their ammunition for the "final battle," according to fleeing slum dwellers.



(AP photo)
SANDINISTAS: Guerrilla leaders huddle in Matagalpa Sunday. The city had been held by the rebel forces for about a week, but it was claimed on Wednesday that government had recaptured the city. That, however, could not be confirmed.

As early as next week

European DC-10s may fly soon

STRASBOURG, France, June 13 (R) — European airline safety specialists are drawing up an emergency inspection and maintenance program which could mean an end of the flight ban on the DC-10 airliner as early as next week.

The U.S. Federal Aviation Administration (FAA) grounded all American DC10s after cracks were found in its engine mountings, pending investigations into the Chicago crash on May 25 in which 275 people died. European countries followed the FAA's lead.

Amid scenes of anguish

Further 4,500 Cambodians repatriated

BANGKOK, June 13 (R) — About 4,500 Cambodian refugees, many in tears, were sent back Wednesday to their bleak and possibly dangerous homeland after Thailand refused them sanctuary.

In scenes of anguish and despair, those sent back were separated Tuesday from 1,530 others who have been accepted for resettlement in the U.S., France and Australia.

Military sources said that they were taken by bus from a temporary point the eastern frontier town of Aranyaprathet to the far northeastern corner of Thailand, from where they were being sent back into Northern Cambodia.

Their repatriation brings to more than 40,000 the number of Cambodia fleeing from fighting and starvation sent back since the operation began last Friday.

The sources said that Thai authorities planned to return a further 42,000, but no date had been set.

About 350 Khmer Rouge soldiers from a nearby camp had also been repatriated, but the sources declined to say where they had crossed the border. Thai practice is to send them back into Khmer Rouge-held areas.

As the buses pulled away from the camp Tuesday, the faces of the Cambodian civilians being taken back were tear-swollen, in contrast to the bright smiles of those taken to a transit center in north-eastern Buriram Province on their way to resettlement.

Diplomats said that those returning to Cambodia faced a dark future in a country critically short of food.

A statement issued in Strasbourg after a meeting of the 21-nation European Civil Aviation Conference (ECAC) Tuesday said the draft safety program was being drawn up by specialists from Alitalia, British Caledonian and Swiss Air.

The draft would be submitted to national authorities and airlines at a meeting at Zurich airport on Friday.

If the program were agreed upon, the statement said, it would be formally reviewed on Monday by all European DC-10 operators, their airworthiness authorities,

the plane's manufacturer McDonnell Douglas, and the FAA.

"It is emphasized that the purpose (of Monday's review) is to agree upon inspection procedures which, if complied with, would form a basis for a decision on the restoration of the certificate of airworthiness for the DC-10 by the airworthiness authorities," the statement concluded.

In a radio interview Wednesday, the director general of the French Civil Aviation Authority, Claude Abraham said it was hoped that the DC-10 could be cleared for flying again in about a week.

In Washington, the FAA Tuesday pressed ahead with investigations in six cities in its attempt to determine when the grounded U.S. fleet of 138 DC-10s could fly again.

The FAA said one team in Long Beach, California, was looking into the general airworthiness of the plane. Five others were checking maintenance records and past incidents involving the jets.

To abolish Statute of Limitations

Bundestag to vote soon on Nazi trials

BONN, June 13 (R) — The Law Committee of the Bundestag (lower house) Tuesday discussed three draft laws which would enable prosecution of Nazi criminals to continue.

Unless West Germany's present Statute of Limitations is amended or abolished, there can be no legal investigations of suspected Nazi criminals after the end of this year.

The committee discussed two draft laws which would completely abolish the Statute of Limitations for murder, and a third which would lift the statute only for Nazi murders.

This last suggestion, put forward by a group of Liberal deputies, was said by a legal specialist advising the committee to be unconstitutional, as it would discriminate between groups of people.

The Bundestag is expected to vote soon on the issue, possibly at the end of next week.

Chancellor Helmut Schmidt told a group of Americans during his recent trip to the United States that he thought parliament would vote by a narrow majority to abolish the statute.

Victims of Nazism in many countries have campaigned hard for the law to be changed.

Portugal, U.S. to sign Azores base agreement

LISBON, June 13 (R) — Portugal and the United States will sign a new agreement on continued American use of the Lajes air base in the Azores next Monday.

The Foreign Ministry said Tuesday United States Secretary of State Cyrus Vance will visit Portugal on June 18 and 19 to exchange notes with Foreign Minister Joao Freitas Cruz on the base.

Vance will arrive from Vienna after taking part in signing the SALT II agreement, limiting American and Soviet strategic arms.

The Atlantic base is used by the United States Air Force to monitor Soviet submarine movements and to supply NATO bases in Europe. It also provides logistic support for the Sixth Fleet in the Mediterranean.

The announcement made no mention of any parallel aid agreement, but it is understood separate notes will be exchanged covering these.

Portuguese sources said that the final agreement was likely to include \$ 80 million of development aid for the Azores regional government and \$ 60 million for the purchase of American military equipment.

The Portuguese air force has been keen to improve its capability with the purchase of Northrop

F-5's valued at up to \$ 10 million each.

The length of time covered by the new agreement was not made known, but it is likely to be back-dated to 1974, when the last one expired. The delay in signing has been partly owing to the succession of governments in Portugal — 10 since the coup.

But there has also been tough bargaining over accompanying aid, as the United States government has been determined that it should not pay rent as such for a facility made available by one NATO partner to another.

Belgians consulting

Morocco pullout raises fears for Shaba

BRUSSELS, June 13 (R) — Belgium is apparently engaged in urgent consultations with West European and African countries to review the situation in Zaire's Shaba Province, where Moroccan troops are due to withdraw at the end of the month.

A 2,000-strong multinational African force has been stationed in the province since the bloody attack against the Shaba mining town of Kolwezi by Angola-based rebels in May last year.

Morocco has announced that it will withdraw its troops, who form

the bulk of the force, by July 1. The rest of the force is made up of 500 men from Senegal and a few hundred from Togo.

Belgian Foreign Minister Henri Simonet was meeting his Moroccan counterpart, Muhammad Boucetta, in Brussels Wednesday to find out if Morocco's decision is final and if the withdrawal will be carried out in stages. Foreign Ministry sources said.

The problem will also be discussed with Senegal's President Leopold Senghor, who begins a three-day private visit to Belgium on Friday.

Simonet will himself visit Kinshasa at the end of the month. Unconfirmed reports here said he could accompany Zaire President Mobutu Sese Seko on a tour of Shaba for a first-hand assessment of the situation.

Many of the hundreds of European expatriates living there have said they would find it difficult to stay if the Moroccan troops leave.

The Belgian Foreign Ministry officially denied Wednesday that Belgium was planning to send its own troops to Zaire. Kinshasa had not made any such request.

Earlier this year a Belgian para-troop battalion was flown to the

base of Kitona, 400 kilometers west of Kinshasa, officially for a three-month training period.

But informed Belgian sources said they were dispatched to guarantee the security of the Europeans at a time when economic difficulties made widespread unrest a strong possibility.

The ministry said Belgium was also consulting with France. Officers from both countries have been training the Zaire army, which made a poor showing in resisting the invasion of Shaba.

Worker killed by bomb at Basque nuclear plant

BILBAO, June 13 (AP) — A bomb exploded Wednesday at the Lemonz nuclear energy plant, under construction just outside Bilbao, killing at least one person and injuring several others.

The blast, the second at the \$ 1 billion plant in 14 months, came shortly after an anonymous telephone call warning a bomb had been planted.

Basque separatists planted a bomb at Lemonz in March 1978, killing two workers and injuring a

dozen more.

Police identified the victim in Wednesday's explosion as a worker. The blast set fire to more than 1,000 gallons of oil and the flames prevented them from knowing if there were other victims.

The explosion brought to four the number killed in protest against the government's \$ 20 billion nuclear program. The fourth victim was an anti-nuclear demonstrator killed by a police bullet 10 days ago.

The Basque separatist organization ETA announced last month it would hit Lemonz again unless construction, scheduled to be completed in 1981, was halted.

The terrorist organization, blamed for 40 political assassinations so far this year, has also supported a one-month protest march to end in Lemonz Aug. 12.

Iberduero, construction contractor for the plant 10 miles from Bilbao, received a telephone call warning of a bomb about 15 minutes before the explosion. Although evacuation of the plant had begun not all workers were able to make it to a safe area.

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